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ABSTRACT

Because of its failure to provide career ladders for non-management employees, the food service industry is facing increasingly severe manpower shortages and labor turnover. Unnecessary requirements bar entry workers from man, jobs, and training opportunities leave much to be desired. This report identifies the problem areas and develops a model career progression system to promote optimal horizontal and vertical advancement for non-management personnel. Case studies and personal interviews were used to collect data from corporate officials, employees, and former employees of 18 large companies representing all segments of the food service industry. Their responses demonstrate the need for improved recruitment practices and working conditions in jobs offering the opportunity for advancement. (BH)



L-R-13

A STUDY OF CAREER LADDERS AND

MANPOWER DEVELOPMENT FOR NON-MANAGEMENT

PERSONNEL IN THE FOOD SERVICE INDUSTRY

Submitted To
Office of Manpower Research
United States Department of Labor

June 1970

by

School of Hotel Administration

Cornell University

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FOREWORD

The food service industry is the fourth largest in the United States in terms of sales-dollars. It is certainly first among the country's service industries in terms of persons served. Essentially every socio-economic characteristic of our society has lead to more meals eaten away from home each year in the immediate past and this condition will probably prevail for the predictable future. Significant technological advances in new foods, new ways of preparation, and new modes of customer service have facilitated expansion and will continue to insure industry growth to keep up with almost daily increases in public demand. These technological advances are competently researched, effectively documented, and well disseminated.

Yet there is no corresponding body of research and little documentation on another major factor which can assist or inhibit the industry's growth in the future -- namely, food service manpower. Responsible industry leaders recognize that the single most important problem facing them in the 1970's may well be that of obtaining, training and retaining the vast numbers of qualified men and women needed to fill newly created jobs and for replacements in existing jobs. But although many large corporations and individual restaurants have established and are operating exemplary personnel programs for their personnel, there is no common body of written material dealing with manpower as a system. There is essentially nothing available concerning non-management personnel as a system.

This study of career ladders and manpower development for non-management personnel in the food service industry is thus not only a "first" of its kind but also a valuable contribution both to literature and practice. As with most such projects (and particularly in one with a case-study methodology), this study is not without some omissions. A few conclusions may be open to question. However, these are minor academic issues which should not cloud the study's important implications for change and program development or obscure its indications of areas for further research. Although they are not by any means to be considered as totally representative of this most complex industry, the eighteen companies whose non-management career systems were examined in some depth have much more in common with the rest of the industry than they differ from it. The food service industry needs a great



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deal more manpower system research, and many of the clues for its design, conduct and documentation are here.

The study's principal conclusion (from which a greenumber of cogent recommendations have been derived) is that training and development of non-management personnel in the food service industry works 1 st if it is integral to all aspects of the company's on-going operations. Foraphrasing the study, which found such conditions to exist (even in varying degrees) in only four of the eighteen companies examined, the system works beside:

- (a) there is an understanding that training and development is a company responsibility;
- (b) there is an understanding that traini and development are only parts of a clearly define and visible career progression program which provide opportunities commensurate with individual abilities and desires for advancement;
- (c) training and development are recognized as combinuous and never completed activities at all employee revels;
- (d) somebody is both responsible and accountable for training and development and for counselling at each operational level;
- (e) there is a budgeted commitment of company resources (time, money, men and materials) for training and development;
- (f) the company's arrangements of rewards, promotions, wage scales, fringe benefits and status, are mobilized to support and reinforce the career progression program;
- (g) training and development starts with effective orientation of new employees, continues with scheduled common denominator subject matter (sanitation, safety, fire prevention, etc.) with skill training for individual jobs, and with supervisory training as appropriate;
- (h) training and development facilities outside the company (public and private schools, junior/community colleges, etc.) are utilized to supplement in-company programs.

What should a non-management career system look like? The study offers a model for a large food service operation, but wisely suggests it is intended only to be illustrative. Probably no company could or would adopt it literally, and an empirical test is clearly called for as an early order of business for follow-up research.



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The important thing, however, is the concept, not the details. Employees in increasing numbers, particularly from minority groups, no longer want only a job. They no longer want a short-term series of tasks which appear to be dead-end in content and which both employer and employee consider will exist only so long as there are, for example, dishes to be washed or pots to be scrubbed. Rather, more and more employees are beginning to make sharp delineations between such a job and a career which can offer real opportunities for productive, satisfying and remunerative work and advancement for those with the desire and the basic potential for promotability. Dish-washing and pot-scrubbing, as well as all the other entry-level jobs wherein so much of the food service industry's excessive turnover is centered, are particularly in need of a new career orientation.

This study, in the initiation and conduct of which the School of Hotel Administration at Cornell University, Manpower Administration of the U.S. Department of Labor, and the National Restaurant Association cooperated, is an example of education/government/industry collaboration in a vital area of manpower research. The report of the study is not only valuable in its own right but, at is hoped it will set the pattern for continued collaboration in the future.

Chester G. Hall, Jr., Ph.D. Director of Education National Restaurant Association

May, 1970

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Acknowledgements

This study is the result of the cooperation of many sincere and dedicated persons who are continually striving to upgrade the quality of food, service, and life in the food service industry. The authors are indebted to these individuals for their assistance, without whose foresight and initiative this report could not have been completed.

Mr. Richard Brown, Executive Vice President, and Dr. Chester G. Hall, Jr., Director of Education of the National Restaurant Association were instrumental in bringing to the fore the need for this type of research in the industry.

Dr. Howard Rosen, Mr. William Paschell, Mr. Eugene Johnson, and Miss Anna Latimer of the Office of Manpower Research, U.S. Department of Labor, cooperated in constructing and designing the methodology employed and offered valuable assistance a 'advice throughout the conduct of the study.

Dr. Robert A. Pock, Dean, and Dr. Gerald W. Lattin, Assistant Dean, School of Hotel Administration, Cornell University, offered their full support and encouragement during the study and provided several cogent suggestions which were accepted and appear in the report. The project researchers, Mr. C. Starr Atwood, Mr. Robert N. Weller, Mr. Peter Rainsford, Mr. William Melvin Jr., Mr. Charles Levinson, and Mr. Alexander C. Mastoris worked tirelessly in gathering and assimilating data that provide the nucleus of this report. Mr. Randall Czerenda and Mrs. Ellen Pettit provided secretarial and editorial assistance.

Finally, we are indebted to each of the over 400 persons in all aspects of the food service industry interviewed during the course of the study, who offered insight, personal experiences, and suggestions, and without whose help this study could not have been completed.

William P. Fisher, Ph.D. Assistant Professor School of Hotel Administration Principal Researcher Paul L. Gaurnier, M.S. Assistant Dean School of Hotel Administration Project Director



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PART I

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CHAPTER I

INTRODUCTION

THE FOOD SERVICE INDUSTRY

The food service industry is continually facing shortages of skilled and unskilled personnel at both the management and the non-management level. The National Restaurant Association estimates that 225,000 new non-management workers must enter the industry each year in order to keep pace with the growing demands for meals away from home. Four-year colleges and universities along with community colleges are currently supplying personnel well trained in higher and middle management skills in an attempt to meet the need for management personnel. In the past, emphasis has been focused primarily on this level of employment. Until now, comparatively little has been done to appeal to, and attract, the hard-core unemployed and disadvantaged to the opportunities available in this field.

There is, at the present time, a developing awareness on the part of the food service industry that efforts to attract potential workers to the field at the non-management level must be initiated on a large scale if positions are to be filled and the expansion of the industry is to result in better service to the public. The Federal Government, the National Restaurant Association, and the American Hotel and Motel Association, among others, have all expressed concern in this regard. Some governmental and non-profit organizations have established training centers for the purpose of meeting this need. These attempts have met with only moderate success. Private industry is also becoming alert to the need, and the opportunity. A number of firms have developed training programs within their own organization designed specifically to assist and impart skills to non-management personnel, but such programs are mainly for cooks and waitresses, and leave untouched several other occupational areas, such as warewashers, storeroom personnel and bus employees.

^{1.} Montague, Henry A., "Food Service Manpower Requirements for an Expanding Industry' Manpower & Education for the Food Service Industry, Report on the Conference on Food Service Industry Manpower and Education sponsored by the National Restaurant Association, February, 1967, and which was reaffirmed in the Conference held in February, 1970.



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National corporations engaged in the food product and food service lines have developed films of a non-commercial nature, produced to appeal to younger workers, making them aware of career possibilities in this field.

As the fourth largest United States industry, with over 2.4 million employees and \$30 billion in annual sales, the food service field is encountering severe difficulty in recruiting, developing, and retaining nonmanagement personnel. These problems have been evidenced by stalled expansion programs, curtailment of investment, and delay in utilization and/or poor service at new facilities. Concurrently there is increasing demand for food service personnel in the areas of public health, recreational and resort facilities, and private enterprise. It is anticipated that this demand will accelerate to a total personnel requirement of four million persons (2) and has a potential of \$75 billion (3) by the end of the 1970's. Yet, despite the acknowledgement of the need for personnel, and the opportunities available in this area, the industry has been deficient in attracting employable persons to the field. This is due in part to past exploitation of minority groups, minimal compensation, little attention paid to personal or social needs of persons filling these positions, and the lack of advancement opportunities as evidenced by the absence of career training programs through which personnel could gain economic objectives, self-respect, and an upward orientation. As one company Personnel Director stated, "We've studied the guests for years and years but little attention has been paid to our own employees".

This inattention to the non-management employee coupled with the historical tendency of the industry to offer low remuneration, thereby attracting the disadvantaged and marginal employee, to the lowest job level with virtually no prospect for upward mobility, has resulted in a social and employment stigma being attached to this aspect of the food service industry to the extent that many potential workers will not accept positions in the industry and many employees have left the field. This trend and tendency must be reversed if the food service industry is to be an appealing employment opportunity, and if the industry is to contribute to the economic and social welfare of the Nation.



^{2.} News Digest, U. S. Department of Labor, Department of Information, October 21, 1968

^{3. &}quot;Food Away From Home" Fortune, June, 1969

Historically, employers were able to meet manpower needs at all levels as there was an excess supply of available workers. With the increasing demand for fast and quality service, increased technology, renewed emphasis on high standards of sanitation and skill competency, and competition for labor from other industries, it is imperative that training programs be designed for all levels within food service organizations. As a prerequisite to attracting employees at the non-management level, employers now must design attractive career systems to appeal to prospective employees, both as a means of providing definite avenues for promotion, and of offering social and economic incentives.

Although there has been considerable effort by the Job Corps through job centers to train personnel for the food service industry, many of these persons terminate employment in the field voluntarily after a short time in it. One study (4) showed that of 5,292 trainees who completed Manpower Development and Training Act institutional training, only 2,280, less than fifty percent, were reported to be employed in the industry after follow-up This represents a considerable expenditure of money, time and material, for results that are only barely satisfactory. This study further determined that wages. transportation difficulties and hours of employment, among other factors, were major reasons cited as contributing to the instability of employment and loss of these graduates to the industry. program graduates indicated that they were able to obtain better promotion opportunities and greater remuneration in positions outside the industry. A National Nanpower Survey (5) which contacted 3,800 individual establishments employing over 220,000 persons concluded that the food service industry had a voluntary quit rate and a rate of hiring employees which were both well in excess of that of all manufacturing industries. The voluntary quit rate of seven percent per month and the accession rate of 10.4 percent per month extended to annual rates would indicate that of the 124 percent of the new employees hired each year, 84 percent will voluntarily leave their position. This doesn't take into consideration persons who are involuntarily dismissed for one reason or another. These are not figures of which the industry can be proud. The food service industry simply cannot withstand the loss of experienced and skilled personnel to other fields and the excessive

Report on the Conference on Food Service Industry Manpower and Education, sponsored by the National Restaurant Association, February, 1967, pg. 46

^{5.} Eating and Drinking Places Industry, Industry Manpower Survey, Number 115, U.S. Department of Labor, Manpower Administration, Wash., D.C., March, 1969

cost generated by abnormally high turnover, and must take measures to enhance its attractiveness and negate the dissatisfying conditions that exist within it. Food service industry officials themselves are the first to state that labor turnover at all levels is costly, and the magnitude of the turnover problems at the non-management level represents an economic as well as an employment drain on the organization. Few companies have the measurements available to determine specifically what turnover costs in dollars and cents but estimates ranged from a few hundred to a thousand dollars per person on an average depending on the specific job involved, length of time the employee had been with the firm, prior training he had received (if any), availability of a replacement, and other pertinent variables.

Many minority group members, who comprise a substantial portion of the unemployed, are striving to seek means through which they can gain equitable and greater economic rewards, more job security, and be welcomed into industries that promise advancement and hope for the future. It is necessary therefore, that after completion of on-the-job training or formal instruction, they receive immediate equitable remuneration, motivational incentives, and tangible evidence that continuing effort and stable employment can lead to additional social and economic advancement. Another corporate official stated, "The trouble with this industry is that we've always offered jobs, but never offered careers".

Job opportunities presently exist in large numbers in the very areas where manpower resources are located. The crux of the problem is to attract and integrate manpower resources to these positions. This can best be achieved by offering structured career programs in the industry which can accomplish the manifold objectives of the program, while at the same time reducing labor turnover and longrun training costs in the industry.

It is against this background that the Manpower Administration of the U.S. Department of Labor, the National Restaurant Association, and the School of Hotel Administration at Cornell University cooperated in initiating and conducting a study in the food service industry to ascertain what must be done to meet the challenges of the 70's. For the purpose of this study the food service industry has been defined as organizations who engage in the preparation and service of food for consumption away from home, for profit.



CHAPTER II

PURPOSE AND SCOPE

The manpower need of the food industry is expected to exceed four million workers in the 1970's. The industry has the potential to provide definite routes to increased socio-economic levels for entering employees. The industry therefore has the task of removing from its image the stigma of past exploitation and replacing it with the communication of a sincere interest in utilizing each person to the maximum of his abilities through offering meaningful schedules of career progression systems.

It was to this end that the researchers stated the following investigation objectives:

- 1. To identify the skill areas, physical requirements, education level and experience pre-requisites of the food service job families below the management level in various segments of the food service industry.
- 2. To discern current recruiting practices, training and promotion opportunities, training costs, and turnover rates existing in the field.
- 3. To develop a model career progression system that would promote optimal horizontal and vertical advancement for non-management personnel consistent with reducing the human and financial costs presently being incurred.

Non-management personnel are defined as those who have no formal policy-making authority within the department or the organization. They are considered to be those employees who carry out the policy decisions of management. It is acknowledged that there can be several definitions of "non-management". Some make a distinction between wage earners and salaried employees, considering wage earners to be non-management, and salaried employees to possess some managerial functions. Others state that if an employee has any supervisory duties he should be considered management, and non-management personnel are those employees without any supervisory functions. It is felt that the definition of non-management formulated by the researchers allowed the greatest flexibility and latitude to determine current conditions and perceptions of persons working in the industry. With this in mind the researchers contacted over 300 food service employees working in various capacities. Examples of person-positions sought in the industry included



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but was not limited to:

dishwashers - potwashers

Waiters - waitresses

busboys - busgirls

counter servers

kitchen helpers - porters

food processing employees

cooks (below executive chef

level)

pantry men - women

cashiers

bartenders

storeroom attendants

sandwich makers

In the conduct of the study, it soon became evident that the food service industry was beset with difficulties in each element of the personnel system ranging from selection, placement, work atmosphere, orientation, training, career progression, retention, and tangible and intangible rewards. Training cannot exist in a vacuum, separate and distinct from the on-going functions of the organizations. There are conditions that must precede training programs and operate subsequent to them if such programs are to succeed and a career progression ladder is to become a reality and have meaning to employees. The researchers felt compelled to recommend policies and practices necessary, as determined by the study to supplement a training program and make it viable.

METHODOLOGY

The case study approach combined with a personal interview questionnaire analysis were the primary research methods employed in the project. Although there are limitations to these methods of research, and results cannob be generalized, it was felt that the significant factors bearing on the development of a career progression system would be brought to light, and would provide sufficient and meaningful facts on which to structure a model career ladder.

The study was initiated by personal, on-location contact with personnel directors and key training personnel of the 18 organizations who participated in the study. The companies were selected carefully and in no way can they be considered a representative sample of the entire industry. Several criteria were used in contacting these organizations. It was felt that all areas of the food service industry should be contacted. Therefore, restaurant chains, fast food organizations, hotel and motel corporations, industrial feeding firms, airline food service units, and cafeteria chains were contacted. Each of the participant organizations did considerable dollar

volume and accordingly were listed in <u>Institutions</u> on the high side of the "400" firms who operate with substantial volume. All geographical regions of the country were visited to preclude distortion due to local or regional conditions. Accordingly, national organizations and regional firms in different geographical areas were contacted. Finally, some firms which had been discussed in the industry literature as doing something with training were contacted to ascertain their experiences, problems, and results.

The organizations contacted conducted business in major cities in the Nation. Personal visits were confined to major cities as unemployment problems in the food service industry are concentrated in urban areas. Fourteen major cities throughout the country were visited.

Data collected from personnel officers of participant organizations included the functional areas for which organization sponsored formal training did not exist but which could benefit from such training, extent of any training offered in terms of time, expense, number of employees engaged in training both as trainers and trainees, skill requirements stated by the firm, personal requirements, the existence of promotion systems in terms of both responsibility and remuneration, recruitment policies and procedures, retention and turnover rates, remuneration and fringe benefits offered.

Two sets of questionnaires were used after the conclusion of the personal interview with corporate officials. The first set was completed with the assistance of current employees of the firms who were presently in training or had completed training. The second set of questionnaires was completed with the assistance of former employees of the participant organizations. These questionnaires were used primarily as guidelines to researchers and were completed by them in conjunction with a personal interview. None of the interviewees were required to complete any form or document. Investigators asked questions in the interview and recorded answers on the questionnaire form.

Data collected from employees of participant organizations through interviews and questionnaires included demographic information such as age, educational background, previous employment, length of employment with the participant organization, reason(s) for joining the participant organization,

^{6.} The questionnaires used appear as Appendix 2 in this Report

effectiveness of the training they received, perception of working conditions, and perceptions of upward and horizontal intra-organization promotion potential. Over 300 employees or trainees were contacted and interviewed. Table I presents some pertinent demographic information on the current employees interviewed.

The questionnaire designed for former employees was designed to determine the reasons these individuals left the participant organization that could be directly attributed to dissatisfaction with the training they received, the organization as a whole, financial considerations, lack of promotion potential, or other germane factors. Further, it was important to know what jobs they held at the time in order to determine any possible attrition trends for food service workers.

Telephone calls were employed in an attempt to contact former employees, as this type of contact has been very effective in soliciting responses to questionnaires and results in minimum inconvenience to interviewees.

Data collected from former employees of participant organizations through telephone conversations included demographic information such as age, education, previous work experience, length of employment with participan organization, reason(s) for terminating employment, new position taken (if any), reason(s) for taking new position, and perceptions of training effective ness received in the food service industry.

Over 100 former employees were contacted and interviewed by telephone. Table II presents some pertinent demographic information on the former employe contacted.

The researchers then analyzed and categorized the data received to obtain the following information:

Functional area requirements that is, personal, skill, educational, functional areas for which training was effective, functional areas for which training was not effective, desirable and undesirable recruiting practices, training methods, and promotion policies from the employee perspective; the development of a career systems model leading to mutually beneficial ends for the food service industry and non-management employees.

A review of all previous research studies conducted in the food service industry was also undertaken to serve as a firm basis for the study and to assist in the design of the questionnaires. This review will be published as a separate report by the School of Hotel Administration, Cornell Universit



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TABLE I Summary of Data on Current Employees Interviewed

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* Interviewed personnel director only

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^{*} Interviewed personnel director only

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The following chapter contains a distillate of key findings and recommendations emanating from the study. Chapters IV and V provide greater detail of the results and suggestions, including an illustrative career ladder for one type of facility in the industry such as a large restaurant or hotel.



CHAPTER III

KEY FINDINGS AND RECOMMENDATIONS

The results and conclusions drawn from the study are many and to provide a capsulation they have been identified as key findings and key recommendations. It is believed they still maintain validity and significance in this form.

The nature of the findings in many instances gives rise to the concommitant promulgation of recommendations. The summary report of conslusions and recommendations, together with suggestions for implementation are presented in detail in Chapter IV of this report.

KEY FINDINGS

In meeting the charge of the purpose of this study the following can be stated in unequivocal terms:

- 1. There are no distinct physical requirements or attributes needed, as a general rule, for any position in non-management positions in the food service industry.
- 2. Non-management food service employees do not need to attain any stipulated formal educational level to succeed in a food service career. The only requirement for one who desires to assume positions of greater responsibility is to be able to speak, understand, and in some instances read English. This, however, is not a requirement for some entry level positions.
- 3. Where company training programs are deliberately planned, sincerely conducted and effectively controlled, no food service experience pre-requisites are necessary for employees entering the functional skill areas at the entry level. Positions of greater responsibility demand adequate experience in subsumed positions, which can act as a foundation for human resource development.
- 4. Labor turnover rates in non-management positions are alarmingly high, occurring with the greatest frequency in the warewasher and service skill areas.
- 5. Labor turnover occurs with the greatest frequency within the first three months of employment.
- 6. Labor turnover rates are unnecessarily inflated in many instances by the inclusion of part-time employees for whom it is predetermined that they will terminate employment at a specified time. Nevertheless, labor turnover rates for non-management personnel who would qualify as full time permanent employees



is high relative to other industries.

- 7. In the economic sense, labor turnover costs can only be estimated by major organizations. No accurate measurement system was found that could define and identify all variables involved that would allow quantification of such economic costs. The social cost of turnover may be even more severe than its economic counterpart.
- 8. Recruitment and retention of personnel for non-management positions can be effective when the assistance of current employees is utilized.
- 9. Training in most of the food service organizations contacted is either not formalized or is not perceived by employees as being formalized, and the factors bearing on training are infrequently and/or inadequately communicated to employees.
- 10. Promotion opportunities in the food service industry are not structured and visible to employees. Many employees are unaware of any career potential available to them either within the organization or within the industry.
- 11. The psychological work environment as determined by employee expectations and relationships with supervisors and peers is at least equal in importance to non-management personnel as physical working conditions.
- 12. The food service industry is easily entered and easily left, due in general to a questionable image, relatively low wages, minimal benefits, the absence of uniform standards, obfuscation of a career potential, poor if any on-the-job training, and the lack of an upward orientation in which economic and social needs can be met.

KEY RECOMMENDATIONS

The key recommendations arising from the findings of the study are presented as follows:

- 1. The food service industry must develop employment standards in an effort to attract and retain educable and willing employees.
- 2. Closer cooperation among industry, educational institutions, public institutions (Chamber of Commerce, community activity centers, etc.) and local, state and appropriate national associations must evolve to raise the image of the industry, develop labor resource centers, and sincerely express the interest of the industry in offering a definite avenue by which economic and social needs may be realized.



- 3. The deplorable physical working conditions that exist in some instances must be eradicated and supplanted with adequate and pleasant appearing conditions to enhance the positive features of the work atmosphere.
- 4. Human relations training and development should pervade the entire organization to create a psychological work atmosphere that is most conducive to respect for human dignity, work flow efficiency, job satisfaction, and employee motivation.
- 5. Individual expectations must be ascertained prior to employment and placement and continuing general and job related orientation must be conducted to fully communicate and acquaint the employee with the organization as a whole, the local unit where he is placed, and the details specific to his position and interrelated positions.
- 6. A formalized training program must be adopted for non-management employees, the purpose and benefits of which must be communicated to trainees on a continuing basis and reinforced at appropriate training levels.
- 7. Training should be conducted under conditions most conducive to learning and should be allowed to function uninterrupted according to the training schedule designed for each job or job family.
- 8. A career ladder specifically designed for each organization should be developed to offer visible credibility to the career potential available to the non-management employee and to display targibly the benefits of training to allow for the establishment and attainment of personal goals.
- 9. Wages and fringe benefits must be increased to a level competitive with other industries to attract and retain competent employees and to provide the fundamental means by which an employee can reach his economic goals.
- 10. A means of measuring the investment in human resources deployed by the organization should be devised, defining and identifying the attendant variables associated therewith, as a means of quantifying the value of an employee to the organization as well as measuring the cost of labor turnover.

The key findings and recommendations have been presented in this chapter for the purpose of brevity. Additional findings and recommendations are developed in the following chapter, which are no less important and should be sidered as an integral part of any career development system.



CHAPTER IV

A SUMMARY REPORT OF CONCLUSIONS AND RECOMMENDATIONS

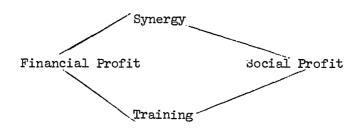
As the 1970 decade opens the food service industry is at a critical juncture in its economic development. On the one hand, projections for future growth through an expanding market in terms of both numbers of patrons and frequency of dining-out occasions give rise to considerable optimism. On the other hand, manpower needs in the industry continue to grow, but until recently, little serious thought and even less effort has been given to attracting and developing personnel to serve in the industry so that the economic growth expectations can be fulfilled. Heretofore the focus has been on management development, and understandably so, for managers must be provided with the information, knowledge, skill, and experience necessary to manage effectively. However, scant attention has been paid to developing the vast reservoir of current non-management personnel to prepare them for the future. Compared to most other industries, the food service industry lags behind in this respect, which in turn has an adverse effect on attracting and retaining employees. In part these difficulties arise from shortsightedness, insensitivity, and lack of concern by the very persons who possess the authority to implement non-management development programs. Economic factors also play a role. One company official who discussed the problem in general terms stated, "I think some people in management are reluctant to make a commitment for a training program because they can't see an immediate return on the company's income statement. If they build a new property they can see right away how it contributes to the financial welfare of the firm. Training involves a heavy commitment, and in most instances the results may not be evident for years, if They are against it because they can't count it, so they discount it".

The training and development of non-management personnel cannot exist in a vacuum distinct from the on-going operations of the firm. By the same token, manpower development is the individual and collective responsibility of the major food service organizations working in conjunction with government and education agencies, and with local, state, and national associations.

The food service industry has many challenges facing it in the future. As with any challenge it can rise to meet it or shrink in retreat. In large part the end result will be a function of the basic philosophy of the leaders

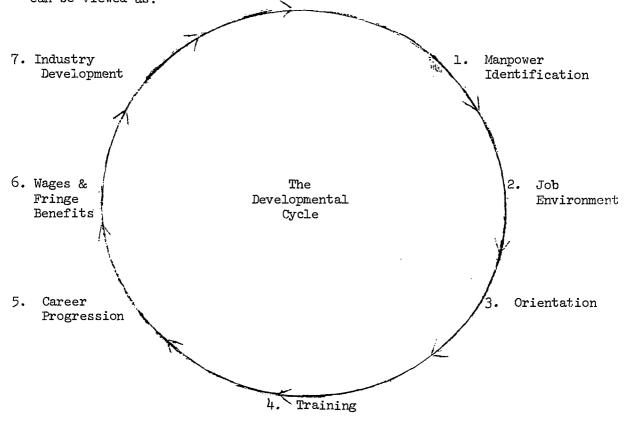


of the industry. The researchers suggest the following concept as a means of placing training, career progression, and manpower and industry development in the proper perspective:



Essentially, training can lead to the mutual reinforcement of financial profit and social profit (motivation, morale, retention) to the degree that synergy can be achieved. Synergy is simply the evolvement of a result greater than the simple addition of the constituent elements. Hopefully, the food service industry will exemplify the synergistic reaction needed to insure success in the future.

There is a developmental cycle which can result from synergy and it can be viewed as:





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It must be emphasized that this cycle can be viewed from the standpoint of both the individual employee and the organization. Employees have a responsibility of honoring commitments and developing loyalty to the organization, contributing to a favorable physical and psychological work environment, conscientiously participating in orientation and training, developing career goals, partaking of the fringe benefits they desire and in general contributing to the welfare and upgrading of the industry through personal development. It is the responsibility of food service organizations to develop and foster procedures and conditions that allow for the recruitment, selection and placement of employees in a propitious job environment, to develop fully the employee's potential through orientation and training, structure a career ladder and offer coursel and advice concerning it, provide fair wages and offer substantial fringe benefit programs, and in this manner contribute to the development of the industry. The mutuality of personal and organizational responsibility integrated under the best conditions possible can insure future success.

The elements of the cycle can be described as follows:

Identification is the responsibility of the firm to recognize its present and future needs for manpower, the setting of education, skill, and personal requirements and standards of performance for each position, determining resources available for securing employees, establishing definite recruitment policies and procedures, and positions for which training can be effective. It is also the responsibility of the employee to recognize and meet his work commitment, exhibit loyalty, and participate in attracting potential employees to the firm.

Job Environment connotes the tangible and intangible working conditions that exist within the firm at the operating level. Physical and psychological conditions stand in juxtaposition as to their importance to employee-trainees, a fact which must be recognized by management. Organizations must develop an optimal working environment and employee facilities to meet fundamental human needs that will dignify the job and the employee's self-concept. It is the responsibility of the employee to maintain in good condition the facilities where he works and to perpetuate a salutary psychological environment.

Orientation is the responsibility of the organization to introduce the new employee to the organization, to his supervisor, co-workers, work place, and



other locations encountered in the normal course of job performance. It is the overview new employees need to relate to their work environment and articulate to the specific operations to which they will be assigned. The employee is responsible to develop appropriate attitudes and conscientiously participate in an orientation program.

Training is the responsibility of the organization to impart conceptual knowledge, physical skills, and appropriate mental and work attitudes to a trainee to develop him fully as a highly qualified employee as rapidly as his capability permits. Training should be structured on a "building block" concept so that previous training can be used as a stepping stone to advanced positions and greater responsibility. It is the responsibility of the trainee to apply himself assidously to learning the material and skills presented to develop himself as quickly as his capability permits.

Career Progression is the responsibility of the firm to define avenues for advancement for non-management employees, make them visible, and reinforce the career system to the employee-trainee. It is the responsibility of the employee, with counsel and advice, to define career goals and choose the appropriate avenue to reach them.

<u>Wages and Fringe Benefits</u> are those job satisfiers, that contribute to the reduction of turnover, which need to be thoroughly communicated and often repeated to employees in a manner easiest for them to understand, and administered to meet their immediate and future needs throughout their working life. It is the responsibility of the employee to participate in those benefit programs that he wishes to and utilize them when necessary.

Industry Development refers to the individual and collective effort of food service organizations to upgrade continually the quality of service and product to the customer, as well as further developing the preceding elements of the system, thereby reinforcing and perpetuating the developmental cycle. The employee, through his personal development, can meet the same organizational goal, and can contribute to the upgrading of employment in the industry while meeting personal economic and social needs.

The researchers believe that if this philosophy is adopted by management, and is communicated to, and instilled in employees, the maximum potential benefits will be effectuated. It must be emphasized that it is necessary for the developmental cycle to be viewed as a complete entity in and of itself.



Undue attention given to any one of the elements to the neglect of other elements will result in a temporary rather than a permanent solution to the challenges of the future.

The following represents a summary of the conclusions and recommendations drawn by the researchers as they apply to each element in the developmental cycle. The procedure for implementation of many of the recommendations is self-evident in many instances. In other cases, adaptations will have to be made due to the specific conditions existing in each individual food service organization. The conclusions and recommendations are necessarily general but can have meaningful significance if modified and applied as required.

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1. Manpower Identification

Nearly all of the 18 food service firms surveyed indicated that they planned to engage in vertical and/or horizontal expansion or had just entered new fields of endeavor. Hotel-motel organizations have gone into fast food service operations. In-flight feeding organizations have or are contemplating moving into allied fields. Firms that have been primarily identified with one consumer market are moving into other markets and it is not unusual for one firm to operate fast food service facilities, travelling public facilities, and gourmet restaurants.

In every instance the personnel or training director interviewed felt that his company was experiencing some degree of difficulty in obtaining and retaining non-management personnel, particularly in the low-level low-status positions. One official stated, "Our greatest turnover occurs with dishwashers, and to some extent with waitresses and busboys. The work is hard, and conditions are not always the best. We have to take anybody we can get in some cases, but they soon move on. It's just the nature of the business".

Each of the corporate officials was asked what he felt contributed to the relatively rapid turnover rate in non-management positions. The responses included low wages, poor working conditions, excessive working hours and erratic working shifts, pressure inherent in food service operations, lack of opportunity for advancement, insensitive management, the poor image of the industry, and poor selection and training. One remark was, "It seems as if turnover begets turnover. A dishwasher comes to work and finds that the potwasher didn't show up and he's told to wash the dishes and the pots, which makes him mad, so he walks out".

In most organizations, no formal educational level was stipulated for non-management positions. There were few if any real barriers existing for the disadvantaged or disabled to enter employment in the industry. High school diplomas were not required for most non-management positions. One firm had previously issued a policy that their waitresses had to be high school graduates. They had rescinded that policy, lowering the requirement to the completion of the tenth grade. While this was the new company policy, the personnel director stated that he was aware that it wasn't adhered to in all cases. Several firms were actively recruiting disabled persons and the mentally retarded for back-of-the-house jobs. One official indicated, "We've



found that by and large their attendance record is good, they do what they are told, and they're good employees". A prison record did not appear to be an automatic bar to employment for most firms although the type of offense and the frequency of arrest would make a difference. Most firms indicated they would not hire an applicant if the bonding company raised serious objections.

The best sources for manpower for most firms were other employees, public employment agencies, and window or newspaper advertizements. Every company reported that they had a substantial number of "walk-ins" seeking work. Private employment agencies were a frequently used source for center city units, although some difficulties can arise as was determined in a telephone interview with a former employee of one of the firms. When asked why he had left the company after only one week he replied, "The agency sent me over there, you know. I was workin' as a dishwasher and they were paying me the minimum, you know. They said they only needed me part-time. I had 25 hours, but when they took everything out of my check, I only had \$22.00 left for the week. They told me they had to give some to the agency who sent me. I think they're workin' together". This middle-aged man felt he was caught in a conspiracy between the agency and the firm.

All of the companies surveyed had stated policies that an applicant had to complete an application form. Most of the firms had a requirement for a personal interview. In actual practice, several current employees reported that they were aware of situations where a manager would put a person right on the job if the vacancy existed and the pressure of the moment required a body. The application form would then be completed as a formality some time later. Only two of the 18 firms employed a personnel 1 est for non-management positions. In one firm this device was primarily an attitude test but was as much an information sheet to applicants concerning company expectations for general behavior as it was a functional attitude measurement. The same firm also gave all applicants a psychological discrimination test. If the applicant secred high, he would not be hired as it was felt he would become dissatisfied with the job and leave. Another firm used a math test to determine that employees could make change accurately. Two firms had used tests for non-management positions at one time but had scrapped them. One official stated, "We found they didn't tell us anything. We had the same turnover problems with them as we did without them".



None of the participant organizations required complete physical examinations of new employees. All would comply with state and local law where applicable in order for the employee to possess the required health certificate. Some states do not have health requirement regulations for food service employees. Two firms reported that they were contemplating requiring thorough annual physical examinations for all employees.

It was standard policy in all lirms to apprise new employees of the entry wage level. Most further indicated that it was unlikely that new employees were informed of any wage progression system for their position or other related positions, nor would they be informed of any defined promotion schedule open to them. This became evident as borne out in conversations with current and former employees, due to the fact that in many cases no defined wage and/or promotion schedule existed.

Most company officials were quick to agree that their greatest turnover occurred early in the employment period. No firm could determine exactly how much their turnover cost them in dollars and cents, nor did they have any measuring devices to determine it. All agreed that turnover was an extremely costly problem in both economic and social terms. In the words of one personnel director, "Turnover is costly, sure, but how can you measure what it costs when you have to consider management time spent in interviews, or morale of other employees when somebody doesn't show up for work. We know what newspaper advertisements cost and we know what we pay our personnel people, but I can't say how much turnover costs, except that I know it's expensive". A unit manager summarized, "If the boys on top could see what turnover cost them I bet they'd do something about it pretty fast".

Recommendations

1. Individual organizations should analyze the economic cost of turnover so that the financial impact of this distressing situation can be



^{*} Laws concerning health requirements for food service employees vary among states and localities. Some states are completely silent on the matter. The lack of uniformly high health standards is viewed by the researchers as contributing to the relatively unfavorable image of the food service industry in the minds of many members of the general public.

made visible to company officials who are in a position to take corrective action by creating better conditions, establishing training programs and structuring career ladders for employees.

- 2. Greater emphasis must be placed on recruiting and selecting potential employees. Community centers, church groups, youth activity centers all represent potential manpower resource areas. Firms must take the time to ascertain the employment history, present skills, and expectations of applicants in an effort to make their employment a mutually beneficial and rewarding experience. Better checking of past employment references is necessary and efforts should be made to make initial placement as physically and psychologically comfortable as possible.
- 3. Recognition should be given to those persons who are instrumental in bringing new employees into the firm. In addition a list of job vacancies, both intra and inter-unit, should be posted in an easily visible location, to alert current employees to company manpower needs. Such a listing could provide the added benefit of informing employees of higher level vacancies for which they may enter training.
- 4. Better use can be made of potential and current employees. Female dishwashers are being used in some locations. Some back-of-the-house personnel can be scheduled for front-of-the-house duties for the purpose of work efficiency and cross-training. An employee functioning primarily as a dishwasher could begin a meal shift as a busboy or table set-up employee and at a later time during the shift revert to his primary task. This schedule would place the greatest number of employees in the appropriate work center consistent with the work load cycle, and provide additional benefits bearing on the developmental cycle.



2. Job Environment

Irrespective of the emphasis placed on recruitment and selection of non-management personnel, the identification of needs and expectations, the efficiency of training programs, and the structure and visibility of a career progression ladder, manpower development will not be fully successful until conditions in the physical and psychological work environment improve. One company personnel director offered the following anecdote, "We require our employees to enter the building through an employees' door, which is usually in the back and almost always near the trash area. He walks through a passage-way that is likely to be cluttered to get to the locker room which hasn't been cleaned in a long time. He puts on the same uniform that he's been wearing all week, or that someone had finished using the previous shift. He may or may not be greeted by his supervisor, and may or may not be given something to eat. We then expect him to commence his job with a smile, and work at peak efficiency". This gentlemen then continued to state the positive steps his firm was taking to alleviate some of the conditions caricatured above.

Current and former employees were asked what the disadvantages were in working in the food service industry. Dirty work performed under hot and pressured conditions was a common complaint of warewashers, as was the stench generated through working with food remains. One dishwasher stated that he never looked forward to coming to work for these very reasons. Long and irregular hours were mentioned by several persons. Many indicated that when they were hired their supervisor had told them what their shift hours would be but when they reported for work their shift had been changed, or the actual length of the shift was longer than they had been led to believe. A high school student who had formerly worked part-time for a unit as a dishwasher stated in a telephone conversation that the manager had told him he would be finished by ll o'clock each night. It actually turned out that he never finished until after one a.m. and after three days he quit, explaining that he couldn't work that late and still go to school full time, and that his parents were upset at having him out that late.

Many persons felt that the food service industry was physically demanding, heavy work. Food production employees frequently mentioned that heat was a problem when the ranges, broilers and fryers were operating. Service personnel, particularly waitresses, indicated dissatisfaction with the long hours they were on their feet, split shifts, and the weight of the soiled



dish containers they had to carry due to inadequate bus support.

Distance from residence and cost of transportation to the work place were also mentioned as disadvantages by a number of the persons contacted. Employees working in transportation terminals and in industrial park settings mentioned this situation frequently. Unit managers related experiences whereby the absence of an employee who also happened to be the driver of a car resulted in the absence of three to five other employees of the unit who depended on the driver for transportation. This had a devastating effect on the unit. One seventy-six year old woman who worked in a school cafeteria for an industrial feeding organization reported that she had to make two bus changes to get to work. She didn't mind the changes, or the fact that she had to rise at 5:00 a.m. to get to work by seven-thirty, but she was depressed that the transit authority had raised bus fares recently and it now was going to cost her slightly more than a dollar a week in addition to get to work. She was self-supporting and the fare increase upset her personal budget. Her remark was, "We ought to get something to take care of things like that". In most instances firms did not offer transportation allowances to nonmanagement employees, and no company operated its own transportation system on a regular bais. The wages for non-management employees at remote locations tend to be higher relative to more accessible units within the same firm. evidently was not communicated to those employees however, that there was a differential either designed by choice or operating by chance f r transportation requirements.

A number of current and former employees reported that they felt the environment in which they worked was pressured, confusing, or dis-organized. Several former employees stated words to the effect, "I just couldn't take it". Others reported that they didn't like the arguments and anger that would erupt between employees and supervisors during peak periods. Many former employees who had stayed on the job for only a short period of time replied that they found the operation confusing, they didn't know where to find things they needed, and when they asked their co-workers, the co-workers didn't know either, answered them tersely, or didn't have time for them. Many of the former employees left as they didn't like the supervisor or reported they didn't like their co-workers.

When asked what the satisfying conditions were on the job, psychological factors appeared with greater frequency than physical conditions. Remarks such as, "The manager is a nice guy", "They treat you nice", "The people are nice"



were received in abundance, even in units where physical conditions left much to be desired. It would appear that the level of job satisfaction in the food service industry is primarily dependent on the human relations that exist in any given location. This was further substantiated by the impression received from the employees that there is little company loyalty and even less loyalty to the industry compared to personal loyalty to supervisors and co-workers. It was not an unusual situation that when a unit manager left an organization for a position with another firm and the human relations component had been favorable, his key employees followed him to the new firm, leaving the previous organization severely handicapped. On the other hand, an unfavorable human relations component can lead to labor turnover and marginal performance. In the words of one company official, "There's no question in my mind but what there is a relationship between the stability or instability of management at the unit level to the stability or instability of non-management in that unit".

Recommendations

- 1. Inferior physical working conditions and employee facilities that exist in any unit must be corrected.
- 2. Non-skid rubber matting should be installed in potentially dangerous slippery areas and where employee fatigue due to requirements to stand in the performance of the task is evident.
- 3. The air-conditioning and sound-proofing of kitchens represents a substantial engineering feat and financial cost but bears inspection.
- 4. Sanitary facilities must be kept in good repair at all times and fully stocked with necessary supplies.
- 5. Locker rooms, employee cafeterias and employee lounges should be sizeable, decorative, attractively appointed, and regularly cleaned.
- 6. Showers should be made available to employees and each employee should have his own locker.
- 7. Employee cafeterias should receive much of the same attention for appearance and sanitation as guest areas.
- 8. Employees should be outfitted with smartly styled, proper fitting uniforms that are easy to launder and are long-wearing.
- 9. Music installed in employee lounge areas, employee cafeterias, and the kitchen could reduce the atmosphere of confusion and pressure.



- 10. Providing employees with articles necessary to do their job is essential. In addition to providing tools, rubber gloves for dishwashers, or cloth gloves for other personnel when necessary, could enhance the image of company concern for the welfare of employees.
- 11. Greater emphasis must be placed on kitchen design and equipment engineering to reduce employee fatigue consistent with being functionally efficient.
- Rather than forwarding several unaddressed copies of the periodic newsletter to the individual units, consideration should be given to addressing individual copies to employees at the units where they are located. For large organizations, area or district house organs should be considered in addition to the company-wide publication. Publications should focus on non-management employees and have candid photographs of persons on the job. When individual employees or groups of employees are presented with an award that appears in the house organ they should be provided the original photograph for their personal possession.
- 13. Attention must be paid to the psychological environment as this can be equally or more important than physical conditions. Supervisors should be offered sensitivity training to improve the supervisor-subordinate relationship. Emphasis should be placed on the essentiality of each position in the unit and the manner in which it contributes to the overall functioning of the organization.
- 14. Each new employee should be personally welcomed to the organization by the general manager of the unit no matter what the size, subsequently reinforced by a welcome letter from management.
- 15. Area or district officials should take the time to meet new employees in the individual units.
- 16. It could be a very effective device if the general manager of the unit would write a letter to the wife or family of the new employee stating the pleasure of the organization in having the employee as a member of the work team. This could result in enriching family involvement in the work life of the employee and impart a badly needed image of company concern for the welfare of the employee and his family unit, and therefore must be given strong consideration.
 - 17. Recognition for employees must come from the moment of hiring,



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as turnover is at its peak in the early stages of employment. Service pins or certificates should be awarded after six months of continuous service with the organization. In short, every effort must be made to reduce the anxiety inherent in undertaking a new job with a new organization, and to make the new employee as welcome and as mentally and physically secure as possible.

3. Orientation

In keeping with the progressive development () the job environment, the orientation of a new employee must be emphasized thoroughly an all levels of the organization. Familiarity with the organization, the individual unit, the specific position, work descriptions and standards of performance need to be reinforced continually.

Most of the organizations surveyed had developed an employee handbook that is distributed to employees when they first assume a position. In most instances, the handbooks, or orientation booklets as they are frequently called, are merely pamphlets that give a brief description of the company, and some general information. These pamphlets are distributed to new employees, but rarely is there a concerted effort on the part of management to explain or more fully develop the information. Many former employees reported that they had never read the information presented to them, if they had received it at all. One corporate official of a hotel organization stated that each of the individual hotels published their own orientation book. On subsequent visits to three properties in the organization, none of the hotels had an orientation book designed specifically for their location. Only one organization had anything resembling a code of conduct that was a guideline to general behavior expected of all employees.

In several instances job descriptions and operating manuals were available to the employee to read on the premises, but there were not sufficient copies for him to take one home for self-study. One dishwasher stated, "I was talking with the manager and he got called away for something. He gave me a thick book that talked about the machine, showed pictures and stuff like that. He told me to read it. He came back in a little while and we started talking again. He kept the book in his office but I never saw it again. I found out what to do from the other guy who was working there". In some instances job descriptions did not exist for all non-management positions or bore little resemblance to what an employee actually did on the job.

There appeared to be little attempt on the part of top management to acquaint themselves with non-management personnel in the individual units. In those instances where top management did take the time to meet employees it was remembered and nearly always mentioned by the employee. One hotel manager related the following incident. He had recently assumed his position



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and late one evening he was walking through the back of the house in an effort to become familiar with all areas of the property in general, and to see what was going on at that hour. He approached an employee and was treated with discourtesy and suspicion. He identified himself but had to show his business card to the employee before the employee would believe who he was. At that point, the employee apologized saying, "I'm sure sorry Mr.______, I thought you were someone who had no business being back here, a guest or something. I've been workin' here for 20 years and I've never met the manager before".

A cafeteria employee who had been with the same firm for a long period of time was delighted that the owner of the company always remembered her and spoke to her by name when he visited the unit. She related, "Mr._____will come in and always say, 'Hello, Irene, how is everything with you today?' You know he doesn't really have to do that, with me I mean, but he always does it every time he comes".

Several of the restaurant organizations surveyed had been and were expanding. They stated that it was common practice for a cadre of company officials to go into a new unit a week or two weeks prior to opening and acquaint the personnel in the method of service, menu items and other fundamentals. The cadre would stay on until two or three weeks after the opening to assist in developing a smoothly functioning operation. Not one of these organizations reported that they had the cadre make return visits to units at later periods for the same purpose, even though the labor turnover in the unit was substantial, to the point where few if any of the original employees were still there.

Several of the former employees contacted indicated that they had been shown around the premises briefly, but were not introduced to all of their co-workers. Several of the current employees related similar experiences, stating that they had to find things out for themselves as to who their co-workers were and where materials and supplies could be secured.

A few firms had in use filmstrips and videotape that they were utilizing for orientation purposes at the non-management level. The typical filmstrip would briefly cover the history of the company, the benefits available, and the importance of all positions in the organization. The filmstrips reviewed by the researchers made mention of promotion possibilities but did not offer a visible design of a progression chart, nor was job



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advancement emphasized. These same few organizations which had developed filmstrips for general orientation purposes also had available or were in the process of completing job orientation filmstrips. These job orientation strips were primarily for service employees such as waiters, waitresses and busboy-busgirls. The firms that were using filmstrips had developed their own rather than using the general audio-visual materials that are available. In no case was it company policy to replay filmstrips for a new employee more than once.

Two major organizations have created a position of "Employee Counsellor" to attend to the job oriented and personal needs of non-management employees. One firm placed the counsellor's office in the employee cafeteria where she was readily accessible to employees at their convenience. The other firm, which had several units located in close proximity to one another, employed a person charged with this responsibility who rotated among the units attending to the needs of the employees. This organization had no provision, however, for remote operations away from large urban areas.

A unit manager for one operation of a restaurant organization stated, "I feel that the orientation period is the critical time that will determine if an employee will stay or walk out. I try to do everything I can to give as much personal attention to a new employee and make him feel a part of things right away. I've had pretty good luck". He went on to explain that he had purchased a camera, and would take a picture of the new employee which he would then paste on a bulletin board along with a short biographical sketch. All other employees could then see and read about the new worker, which made for a basis of recognition and familiarty. After approximately one month, the picture would be removed from the bulletin board, and given to the employee for his possession.

Recommendations

- 1. All organizations should develop handbooks that are offered to new employees for their permanent possession. Handbooks should be updated periodically and supplemented by material applicable to the local unit where the employee is working.
 - 2. Job descriptions should be offered to employees in written form



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and apply to the actual tasks that he will be performing. The absence of job descriptions cannot be excused for reasons of limiting the flexibility of the employee's function. Job descriptions can be written in sufficient general scope, and the formal definition of the elements of a job task can serve to reinforce the essential nature and importance of a job.

- 3. Reprints of technical material relating to equipment operation should be issued to employees responsible for operating that equipment for their personal possession while they are affiliated with the organization.
- 4. District and regional supervisors must acquaint themselves with new employees at the time of their periodic visits to demonstrate their interest in the employee as an employee and a person. In a like manner, provisions must be made to acquaint employees with district, regional, and corporate personnel. Pictures of district supervisors could be placed in strategic locations in local units visible to employees, as one possibility. This is particularly necessary in cases where management personnel visit local units.
- 5. The orientation period must acquaint the employee with the organization, but must also acquaint the organization with the employee. Recognition must be forthcoming for new employees as individuals. Pictures of new employees could be placed on a bulletin board in employee areas, along with a short write-up about the individual. Pictures of all employees could be framed in a location accessible to the view of the patronage captioned by the phrase, "This is the Team that is Working for You", or other suitable comment.
- 6. The task force of organization personnel who conduct orientation prior to opening new units should return to existing units, when warranted, to conduct re-orientation, and act as a controlling body for the success of corporate and district level orientation.
- 7. Greater use of visual aids such as slides and film strip tapes should be utilized to optimize the impact of information dissemination to employees. Reinforcement of the material presented visually should be accomplished with the employee counsellor, unit manager, or immediate supervisor. In that continuing orientation can be more effective than a ten minute, one hour or one day orientation period, visual aids should be re-played periodically for current employees, which can have the additional benefit of developing increased loyalty to the company.
- 8. At least one supervisor in each unit should have as his major responsibility the duty to attend to the personal needs of employees. This



can be accomplished by appointing "Employee Counsellors" as some organizations have done. This duty should take top priority in the job description of this position and not be relegated to a lesser role due to the press of operational or administrative matters.

4. Training

Most of the participating organizations did not have a well-designed, formal schedule for the training of non-management personnel. Most indicated that they used On-The-Job Training (OJT) or Job-Instruction-Training (JIT). The job incumbent, if there was one, normally acted as the trainer. Where there was a job vacancy, the supervisor or unit manager generally acted as the trainer, but for the most part spent an inadequate period of time with the new employee. Several employees reported that they had to observe a job, and then perform it immediately without a tryout period. Several former employees reported they couldn't keep up the pace of performance necessary to do the job after minimum orientation and information, and that the "pressure" resulting therefrom resulted in their departure. Current employees reported in several instances that they were "thrown in" to the position due to a job vacancy or absence of another employee.

Few firms had a training director who was primarily concerned with non-management personnel. The unit manager or his assistant normally held operating responsibility for overall unit training, but several admitted that this function took a low priority relative to the other requirements of their job. Few of the firms had progress or evaluation reports on non-management personnel. Since few firms had planned training programs, there was little relationship between the completion of any training and wage increments. Company officials and current employees tended to agree that wage increases were offered on either a time or merit basis, independent of any "training" that existed.

A number of the organizations contacted did indicate that they were now beginning to focus on the training needs of non-management personnel. In some instances training director positions were about to be established or filled, which executive would assume responsibility for non-management development. A few firms, as mentioned, were developing visual aids for job instruction purposes. Every corporate official indicated the need for non-management training. One official stated, "Without training, mistakes are compounded and perpetuated to a point where standards are pushed aside".

Most of the younger current non-management employees and former employees contacted had never received any formal food service training prior to their employment with the company. Those few who did report some



formal training indicated they received it in the military service or at a secondary school in a "homemaking" or similar course. Employees who were members of a union reported that the union offered little if anything by way of training.

In some instances a company reported that they had a training program but current employees were unaware that what they were doing constituted training. A pantry girl described her experience, "I had been working here for about two weeks helping another girl. One day I came to work and I knew the other girl had quit because she told me she was going to. The manager told me that I had finished my training and that I was the chief pantry girl, they'd try to find someone else to help me. The other girl showed me what to do the first couple of days, and if something came up I didn't know about she'd tell me, but I didn't consider that training". It was apparent from her remarks that the company had failed to communicate to her that she was involved in a training program, the purpose of it, the benefits of it, and its future value. Those persons who indicated that they did receive some training, on a formal or informal basis, were asked what they considered to be the good aspects of such training. One waitress replied, "The girl who showed me the ropes took a real interest. I felt she really wanted to help me". A baker's assistant replied, "I felt like I was doing something, learning a trade. I plan to have my own shop someday". In addition to the demonstration of interest by co-workers and the economic productivity of learning a new skill, other favorable aspects of a training program mentioned were that it was a starting point for promotion, one could feel that he was contributing something right away, and one learned the correct way of doing things.

Current and former employees were also asked to discuss any bad aspects of the training they received. Several persons indicated they were told something only once, or were told how to do something without being shown or allowed to do it on a trial basis. A few persons indicated they began "training" in one area but were shifted to another job because a vacancy occurred and never got back to the original job for which they were training. Fear and contempt were also mentioned as unfavorable aspects. A young male cook related the following, "I took it on myself to make friends with the chef because I wanted to learn to be a chef. I asked him if he would teach me. He said he would but I don't think he always told me the full story because I think he was afraid of telling me some of his secrets." A waitress



told of her experience when following an experienced co-worker, "The manager called her over and asked her to take me as a follower. I could tell from the expression on her face she wasn't happy, and she told him it would slow her down. He said that it wouldn't and that she was the best one to show me what to do. She showed me around quickly and spoke real fast. I almost had to run to keep up with her and half the time I don't know if she knew or cared if I was behind her. I could tell she was mad, she kept calling me 'honey'".

The great majority of current employees indicated that they would have appreciated more training and a slower pace when they were first learning their job. Most further stated that they would want more training if they were to assume a position of greater responsibility.

In general, it would appear that few firms have definite training programs for non-management personnel that are deliberately planned and designed, and allowed to continue unimpeded by exigencies of local conditions. Communications to employees as to the need, purpose, benefit and value of training is faulty in many instances. As a rule, it would appear employees are not told or shown that training can be as valuable to them as it is to the organization.

Recommendations

- l. Training programs for non-management food service personnel must be established on a wide scale if curnover is to be reduced, the image of the industry is to be upgraded, and quality production and service is to be offered to the general public. Top management should establish a position of "Training Director" or equivalent as an adjunct to the chief personnel officer, who would possess corporate responsibility for all training. Unit management must be infused with the need for, and importance of training, and attention to training must pervade the entire organization to the extent that it holds a high priority at all levels. Supervisory instruction booklets and lesson plans should be developed, as an essential part of any management development program should be focused on training the trainer to teach. Sensitivity training of supervisors is equally as important as skill techniques.
- 2. Incentives such as wage increases, promotion, awards, or a desirable location transfer change should be offered to employees to complete



training, and recognition must be forthcoming to trainers for their role in the occupational maturity of the trainee. Planned cross-training could occur during the slow periods rather than training at times of peak production.

- 3. At the unit level, key employees should be solicited to assist in the training of new personnel, with compensating remuneration offered to trainers who may suffer a loss of income due to the slower pace followed for the benefit of the trainee.
- 4. Employees should be encouraged to participate in fundamental academic courses to improve their educability for job related training.

 Non-English speaking employees should be encouraged to attend English classes, and non-Spanish speaking supervisors should be encouraged to learn that language when supervising Spanish-speaking employees. Consideration should be given to conducting such classes on location on a shared time basis. Appropriate incentives must be developed and awarded to participants who complete such courses. Similarly, extra-organizational job-related training should be encouraged and supported.
- 5. Job-related non-academic information can be effective in training personnel. Demonstrations to waitresses and female service attendants on dress and cosmetic application and combinations is mutually beneficial to the employee and the company. Extra-organizational personnel could be asked to speak to employees concerning items of interest to the organization. For example, wine company representatives are pleased to speak to service personnel concerning the various types of wine, which is informative to employees and can have a beneficial financial impact on the firm. Equipment and detergent manufacturers could speak to back-of-the-house personnel on sanitation standards and procedures.
- 6. Greater use could be made of the committee system as a training device. Few of the participant organizations had employee committees as a means of enhancing personal involvement on the part of the employees. Sanitation committees and courtesy committees are but two examples of employee operated committees that can fulfill social, organizational, and training needs for both the employees and the firm.
- 7. Communication to employees as to the need, type, and results of training must be thorough, frequent, and sincere. The benefits of training as evidenced by tangible recognition and progression must be readily apparent in more than token form.



5. Career Progression

It was readily apparent after talking with corporate officials that few firms have developed or even seriously considered a career ladder system for non-management personnel. The great majority stated that it was highly unlikely that unit managers or central personnel officials who screened applicants made any attempt to show an applicant or new employee where his position fit in with the overall organizational system for the purpose of informing him of vertical or lateral movement that could mutually benefit the individual and the firm. One official remarked, "New employees are supposed to be told what their job is and how much it pays. We don't require our managers to spell out promotion possibilities to new employees, it's more or less up to them. I'm sure that if a manager has a man he thinks will be valuable, he will probably say something more about it so the employee will stay". The current and former employees contacted indicated that, for the most part, they did not receive any meaningful information about promotion or other potential job opportunities with the firm. One storeroom attendant who replied that he was informed of possible promotion opportunities stated, "Yeah, he (the manager) said someting about it, that if I stayed here long enough I might be able to do something else". If this remark can be taken as typical of what information is presented on this matter to employees, promotion opportunities are vague and ill-defined.

All company officials reported that it was not policy to require non-management personnel to change geographical location. Every corporate officer stated that his company would seek to accommodate the request of an employee if the employee desired a location change. One personnel director gave the rationale, "We don't require key personnel at one unit to change to another no matter how much he could help the other unit. He may not like the move and the manager of the first unit would object to losing a valuable employee. We will and have had situations arise where we have moved an employee at his request to a spot where a vacancy existed, and it has worked very nicely in most cases".

All current and former employees were asked if they felt that the company they worked for had an interest in placing them in a higher position. The majority of persons responded that they honestly didn't know if the organization had anything in mind like that for them. A few employees were somewhat bitter and stated outright that they definitely felt the company



had no interest in developing its employees. In a few instances persons responded that they felt the company had no interest in developing or promoting them, but that the local manager or supervisor did take an interest, and for that they were grateful.

The impression was received by the members of the research team that younger full-time employees generally stated they did not intend to make food service their career. Many stated words to the effect that, "I'm just here till something better comes along". A number of younger persons stated that they had made, or were making, attempts to get into other fields and were simply biding their time until the opportunity materialized. Many part-time employees under the age of 25, primarily those working for fast food organizations, stated that they would not consider the food service industry for a career. Remarks such as "the pay is lousy and there's no place to go" and "I've got more potential than to stay in this industry" were common. Part-time employees worked only to meet immediate needs, by and large, and few were stimulated by their experiences to consider the possibility of a The researchers further received the impression that the older employee was more receptive to wanting to stay in the food service industry. This was not unexpected for as a person grows older and builds experience in any given area the fewer inter-field job alternatives are available, as a general rule. As an elderly dishwasher said, "I am too old to try anything else now. Nobody would take me". If this conclusion is valid, the fact that older persons have different learning aptitudes and styles than younger employees means that any training program designed for employees must consider the needs and abilities of these older persons.

Persons who reported that they intended to leave the food service industry were doing so for two major reasons, wages and promotion potential. Few employees or former employees stated those reasons expli itly, but remarks such as, "You can make more doing something else", or "There's a better chance to get ahead" were frequent. These persons were also asked if they knew what the opportunities available to them in the food service industry were. The great majority replied in effect, "I've never thought about it" or "No, but it's not worthwhile unless you get into management".

In discussion with personnel officials and through personal observation of over 50 properties visited, it appeared that relatively few members



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of minority groups were presently placed in supervisory positions even though the great majority of the work group might be from a minority group or disadvantaged background. Corporate officials did indicate that they were making a deliberate effort to place minority group members in supervisory positions upon demonstration of effort, sincerity, and skill in performing their tasks.

Recommendations

- 1. Members of the food service industry, individually and collectively, must develop a structured career system or a promotional ladder and make it tangibly visible and viable to non-management employees.
- 2. In a concerted effort to reduce turnover, provide stable and meaningful employment, and demonstrate a sincerity of interest in hiring and promoting capable full-time employees, job applicants who represent full-time employment should be given priority for a position over an applicant who is an announced part-time job candidate.
- 3. Minority group members should be placed in responsible positions, according to merit and individual potential, so that non-management personnel can place validity and credibility in the career progression system.
- 4. Employees must be informed that career opportunities exist within the industry. It is not a valid assumption that only those persons who ask about promotion possibilities are interested in, or are capable of being promoted. The organization must assume the active role in communicating the potential for advancement along well-defined avenues predicated on a training program designed to equip employees with the knowledge, skills, and attitudes to assume positions of greater responsibility.
- 5. A career system for any organization must be researched carefully, planned deliberately, tested empirically, and adapted and modified to changing conditions as necessitated by the specific situation. Chapter V presents an illustrative model of departmental career ladders followed by an integrated career system for a large food service organization.

6. Wages and Fringe Benefits

Relative to other industries with whom food service competes to attract personnel, it is deficient in offering comparable wages and fringe benefits to make the work experience personally, socially, and economically rewarding. Employees usually are informed of their starting wage verbally by the person who interviews them, but are told infrequently of any wage system or increments they may expect. Fringe benefit information normally is presented in literature form as part of the orientation program but many employees never read the material, or fail to understand it. A few organizations reported plans to put wage and benefit information on film strips or video tape to magnify the impression on the employee, which would be reinforced by literature.

Wages for non-tipped employees are frequently at federal or state minimums, although a few firms have a policy of paying a few cents above required minimums which they feel give them a competitive advantage over other firms in the industry. Compared to most other industries, however, food service has the reputation and in fact is a low wage paying industry. Younger employees frequently stated that they were looking for jobs in other fields as wages were higher and the advancement potential better. Tipped employees are nearly always paid below minimum standards indicating that companies take advantage of the exceptions in wage legislation in regard to these minimum wage requirements for food service employees. Older employees complained about low wages as one of the major dissatisfactions of the job, and stay in the industry only out of resignation rather than any affinity for food service. Many employees felt trapped and tied to low paying jobs due to lack of education, absence of organization training, and callousness of management.

The normal work week for full-time employees is frequently 48 or 44 hours compared to other industries where a 40 hour week is standard. Only a few participant organizations operated on a 40 hour work week basis. Many organizations do not offer additional compensation or time off for working holidays, double shifts, or six or seven day weeks. In some organizations, employees are not paid if they do not work on holidays. Most companies indicated that they pay overtime if the employee works in excess of the standard work week, but employees reported that they rarely received overtime pay when it was due them. One kitchen helper stated, "I don't think he (the manager) put me down for it because he doesn't want his costs to go up so he'd look bad".



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Most of the organizations contacted offer a number of fringe benefits which are standard in most other industries, but coverage is not as extensive as it is in other industries. Every firm offered employees group insurance. In some instances the employee has to bear the full additional cost if he wishes to include his family in the insurance plan. Other organizations make a matching contribution for the expanded coverage. One firm was proposing to cover the entire cost of insuring an employee and his family and the employee would not need to make any contribution whatsoever for insurance protection. This firm is one of the most successful and progressive organizations in the industry.

Paid vacations are a common benefit and most of the organizations offer them on a graduated scale according to the length of time employed. There is a wide variation among firms as to the employment time required for an additional week of vacation. Most firms offered a one week vacation after one continuous year of service, but rarely would they offer three weeks before ten years of service, and even at that point a three week vacation benefit is not common.

Many firms did not offer time off or recognize work other than normal on days that are standard holidays for many other industries. Many organizations operate on all but two or three days of the year, and while they compensate in some manner for the long standing holidays such as Christmas, New Years, and Easter, there is no special provision for other typically standard holidays such as July 4th, Labor Day, Memorial Day, and Washington's or Lincoln's Birthday. Few firms offer paid holidays or benefits in lieu thereof to employees for eight standard holidays honored by many other industries.

Less than half of the organizations contacted offer credit union facilities to employees. Although credit unions are perceived by many to be employees services, they were frequently mentioned by employees as fringe benefits in organizations that operated them. A number of employees indicated that they were able to borrow money at lower rates of interest than would have been the case if they were forced to select an alternative source of funds. Others appreciated the fact that their deposits to the credit union earned a higher rate of interest than many other savings systems external to the firm, which they considered to be a benefit.

Only five participating firms offered a profit sharing program, although this is not as common in other industries as are other benefits. All of these organizations operate on the deferred compensation plan whereby an employee



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receives payment(s) only upon reaching a stipulated age or after a designated number of years of employment with the firm. A bonus system was in effect in only a few organizations and it took varied forms. One firm offered all non-management employees \$5 at Christmas. Another gave a turkey to each employee on a designated holiday. A third company operated on a "bonus points" system whereby an employee is awarded points periodically for attendance, promptness and general merit. These points are accumulated and may be applied toward the acquisition of catalog merchandise from a mail order house. More expensive merchandise requires a greater accumulation of points. None of these bonus arrangements constitute a profit sharing program of the immediate return variety. None of the organizations offered a combination profit sharing plan which could provide an immediate return to the employee and still give him a long range equity in his employment with the company. As an example of a combination plan, a firm may wish to set aside an amount of money, say 8 percent, of net income before taxes for profit sharing. Of this amount, 3 percent could be returned immediately to the employee in the form of a profit sharing bonus, and 5 percent could be invested in the profit sharing fund, available to the employee in the future, upon reaching a certain age or after a number of years service. This plan would meet the immediate gratification needs of a younger employee and in part compete with other industries, while still encouraging labor stability by giving a larger share to his long-run equity in his job. It should be noted that there are tax ramifications to this plan but perhaps a reduction in the cost of turnover could partially or more than offset the additional tax to the company.

Few firms offer pension plans to employees, although such programs, both contributory and non-contributory, are common in many other industries. A possible alternative to an organizational pension plan is an industry plan whereby organizations could pool resources and administer the benefits to qualified retired or disabled employees. This plan would necessitate additional measures for training, standardization, qualification, and control purposes.

It is rare that a food service organization provides a stock purchase plan or educational assistance to employees. Such plans are common in other industries, but food service has been remiss in these areas.

Food service can offer some benefits not normally found in other industries. Most firms offer meals free of charge while on duty, although many employees reported that they were only allowed to eat leftovers which



usually took the form of stew, goulash or meat loaf. Few firms allow employees to select meals from the menu free of charge with minimal restrictions. One firm, which employs mostly part-time employees does not authorize any meals on duty, and two firms contacted allow employees a discount for meals, but workers must make up the balance.

One hotel organization allows its employees to avail themselves of the room facilities at company-owned hotels free of charge at certain periods of time, and while on vacation, and offer meals at discounts at such times to an employee and his family. A restaurant chain operates on the same basis with respect to allowing employees and their families to eat in units other than where he is working, when he is on vacation. The only requirement is that he fill out a form giving his appraisal of the meal and service. One food organization, who has a close relationship with a major airline, offers travel benefits to its employees which is a selling point for employment with the company.

In most organizations, many fringe benefits do not apply to an employee until he has been on the job for a certain period of time. Three months is a common eligibility requirement for insurance, and an employee may have to wait anywhere from six months to two years to be eligible and participate in profit sharing, stock purchase plans, and pension plans where they are available. Other benefits accrue immediately to the new employee such as meals on duty, and time counted toward vacation periods. Comparatively few employees mentioned meals on duty and paid vacations as fringe benefits. This can be explained perhaps, in the following manner. Few firms appear to communicate adequately to employees the fringe benefits they offer. Literature is rarely read and understood, and supervisors do not reinforce this material. No company attached a specific dollar amount to the package of benefits per employee as an indication of the value over and above wages the employee receives. It is also probable that many employees do not view meals, vacation time, and insurance coverage as benefits, but rather consider them normal, nominal, and essential, and simply meet employee expectations. of such benefits are not job satisfiers as they are anticipated but their absence or reduction can lead to job, organizational, and industry dissatisfaction.



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Recommendations

- 1. Wages must be raised to an equitable level competitive with other industries if food service is to attract high quality personnel and stabilize the labor force.
- 2. The standard work week for employees should be established at a 40 hour, 5 day week and overtime pay authorized for work in excess of 40 hours. Consideration must be given to ffering additional remuneration in the form of higher wages for employees who work less desirable hours, weekends and holidays.
- 3. Employees should be paid for legal holidays when they do not work, or at a higher compensation level on holidays if they do work.
- 4. Information concerning the starting wage, wage increments, and fringe benefits should be presented to employees visually, reinforced by easy to read, understandable literature and through discussion with supervisors or other appropriate officials. Fringe benefit programs must be reinforced continually to all employees.
- 5. Health and accident insurance programs must be made available for employees and their families on a contributory basis comparable to programs and rates existing in competing industries.
- 6. Credit unions should be developed to assist employees in securing funds when necessary and to provide a savings system to encourage thrift and financial responsibility.
- 7. Profit sharing plans should be established to provide incentive, motivation, and equity in the performance of one's duties. Strong consideration should be given to the combination profit sharing plan, which would allow for some immediate allocation of profits to employees while at the same time retaining their financial interest in continuing employment with the company.
- 8. Pension plans should be established in those organizations not developing profit sharing programs. A pension program could operate on a contributing basis to enhance the mutual interest of the employee and the 'irm in the welfare of the employee.
- 9. Consideration should be given to the development of an industry-wide pension plan.
- 10. Cash bonus's and stock purchase plans should be considered where feasible.



- ll. Educational assistance must be made available to employees who seek to upgrade themselves by taking job related courses to improve their skills or increase their potential value to the firm.
- 12. The length of employment required for eligibility to participate in fringe benefit programs must be reduced to a practical minimum.
- 13. The quality of the employee's meals must be more comparable to those served to guests.
- 14. Food service organizations must determine the cost of fringe benefit programs on a per employee basis and communicate this information to allow employees to see the value of their services over and above the wages they receive.



7. Industry Development

In conjunction with efforts of individual firms to focus on and integrate the preceding six elements in the organizational and personnel developmental cycle of the industry, a collective effort is required if food service is to take its proper place in contributing to the welfare of the Nation.

The image of the industry is not good from the viewpoint of offering respectable and substantial career opportunities. Younger persons seeking full-time employment look to other industries and rarely give serious consideration to food service. A great majority of full-time employees under the age of 25 reported that they did not intend to stay in the food service industry, they considered their position temporary until something better became available. Part-time employees, most of whom were enthusiastic, industrious, and offered excellent suggestions about the industry, were not aware of the opportunities in the field, and did not give much thought to becoming employed on a full-time basis. Many older permanent employees complained bitterly about various dissatisfactions they had, and several mentioned that they were only working in food service as they were too old to do anything else, or that a lack of education provented them from changing occupations.

Each current employee was asked if he felt the industry was respected by the general public, relative to other fields. Full-time employees generally felt that the public looked down on persons working in food service, or that the public never thought about the field as an industry in its own right. A dishwasher best described the feeling, "They (the public) figure you work in a place like this because you can't do anything else".

Service personnel such as waiters, waitresses, busboys, and others who had face-to-face contact with the public were asked if their position was respected by the patrons of the unit. The responses were mixed but those who felt they did command respect felt that it was a <u>personal</u> respect as the result of good service and a personal rapport, but the position itself was not <u>professionally</u> respected. One waiter remarked, "Anybody can be a waiter so the public doesn't think much of a job like this". Others felt that the lack of service standards and heavy labor turnover lead to a lack of respect by the public.

Each employee was asked if he would recommend the food service industry



as a career to a friend or relative. The vast majority would not encourage others to make it a career, but many would advise that its "O.K. to tide you over" for a temporary period, thus reinforcing the researcher's impressions that many employees themselves view food service as a temporary or stop gap employment situation rather than intending to remain in the field. The displaced ambition of many employees was evident and characterized by a waitress who talked about her teenage daughter, "I wouldn't want her to be a waitress. The only reason I'm working here is so she can go to college and make something of herself. If she wanted to work part-time or in a summer job, it would be good experience, but I'd be disappointed if I thought she'd be a waitress all her life".

In many industries benefits accrue to employees that are specific to that industry. The food service field is no exception for employees normally receive meals on duty free of charge or at a discount. The industry should promote those features that present it in a favorable light as being a benefit peculiar to working in the field. Since many areas of the industry rely heavily on part-time employees, there is a unique opportunity to promote and upgrade the opportunities in the field to the general public. One former employee who had been a part-time waitress felt that she had benefitted greatly working in the industry as she enjoyed meeting people and felt she gave good service to people which was personally satisfying. She also related, "When I go into a restaurant now I can appreciate what the people are going through because I know what's going on behind the scenes. I never thought about it before I became a waitress".

Several industries offer technical and skill courses either through correspondence courses or through association institutes. Hotel housekeepers, and the National Hotel and Motel Association are only two of the many examples that can be mentioned. No correspondence courses or technical institutes sponsored by major food service associations exist at the present time. The existence of such material and facilities could help professionalize the non-management positions in the industry by establishing standards thereby up rading the image and attraction power of the industry.



^{*} The National Restaurant Association plans to initiate courses in a selected technical institute very shortly.

Other industries tak: their message to the young who are about to enter the work force by participation in career days at high schools and vocational institutes. Some manufacturing firms have "adopted" schools with whom they work closely on a work study program basis.

A few industries operate on a "labor pool" basis to some extent. The construction and farming areas are common examples. A central labor pool sponsored by the city restaurant association can offer a training potential as well as a manpower source to the food service industry. If a firm were short an employee on any given day it could call the pool for a replacement who would be paid at a stipulated rate. Personnel not called could remain in training at the central facility. This device could be effective if properly developed and carefully controlled, and could upgrade the image of the industry if given the necessary support.

Recommendations

- 1. Improvement of the image of the food service industry in the eyes of both the general public and food service employees is mandatory in conjunction with other efforts to attract employees.
- 2. Industry standards must be established for each food service position to professionalize the positions in the industry.
- 3. Industry promotion of the opportunities available in the field must be undertaken, and adequately and frequently communicated to potential employees. Some firms and associations have developed films showing the benefits of a food service career. More of this type of promotion must be undertaken.
- 4. A National Institute for Food Service should be established that offers on location courses for student-employees, and offers correspondence courses to interested parties. Completion of course work should be duly recognized through the award of a certificate or achievement citation.
- 5. Local and regional food service associations should take every opportunity to participate in activities that can promote the industry as offering a progressive and challenging future. Career days, work study programs, and activity fairs are only a few of the possibilities for presentation of material to the potential employee.
- 6. Closer relationships between public institutions and food service companies must be developed. Schools, chambers of commerce, church groups



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and community houses offer possibilities for information dissemination as well as being a source of manpower.

7. City labor pools for the food service industry should be considered, sponsored by local or regional food service associations. Pools can act as a training facility as well as a source of manpower and have a favorable impact on the image and efficacy of the food service industry.

These are the seven elements comprising the developmental cycle for the food service industry. The strengthening of one can have a temporary beneficial impact on the others, but focus on each of the elements and its interrelationships with other elements is essential if the cycle is to enjoy a sustained, meaningful and fortified life that can provide the necessary synergy required to insure future growth and success.

CHAPTER V

A Model for a Career Ladder System in the Food Service Industry

Career progression is as much a state of mind as it is an objective reality. In an era of rising expectations, means through which minority groups members and the disadvantaged can realize their economic, social, and employment goals must be established, if the industry is to contribute to the welfare of the Nation, and develop a reputable and positive public image. The establishing of career ladder systems can mean the difference between management of the moment and management for the future.

This chapter presents one model, as an illustration, of a potential career ladder system for a food service organization employing a large number of workers to fill various positions. This model is intended to be illustrative only and is not suggested as being applicable to all types of organizations. Fast food organizations, cafeteria chains, in-flight food service operations, industrial feeders and other types of operations must design their own systems based on the specific positions and style of operation utilized in their area of the industry.

Four departmental progression systems are presented followed by an integrated system to show the interrelationships that can exist among different departments for the mutual benefit of the employee and the firm. The four departments have been identified as support, production, control, and service functions. These titles have been chosen to place each function in perspective as to the primary nature of its responsibility, and to upgrade the intra-departmental job title. In lieu of referring to a location in the kitchen as the dishwashing area, and of the employees who work there as dishwashers, the location could be referred to as the support area, and the employees as support personnel. The positions in the support function area include but are not necessarily limited to warewashers; dishwashers; potwashers; silver polishers; utility assistant or porter; sanitation supervisor; assistant steward; and steward. Production function positions include vegetable preparation personnel; meat cutters; pantry chiefs; and second cooks, and their assistants; first cooks; bakers; and operating chefs. Control function positions include food runners; receiving room attendants; storeroom attendants; storeroom supervisor; food checker; cashier; and the purchasing



steward and his assistant. Service functions include special function set up personnel; busboys; barboys; waiters-waitresses; cocktail servers; dining room captains; chief bartenders and assistants; and a host or nostess who serves under a room manager.

Positions can be structured on a numerical ladder giving effect to level differentiations based on the responsibility inherent in the position and its relative association with positions in other departments. Persons in any entry position in any department can progress vertically within that department, or can cross-train laterally at the same or lower level position in another functional area for eventual promotion in the new area. This would allow for optimal training benefits to employees while at the same time providing flexibility in the organization. Employees should be offered the option to train for higher level or cross level positions, and should not be forced to enter training for any position against their will.

Support Function Progression Chart

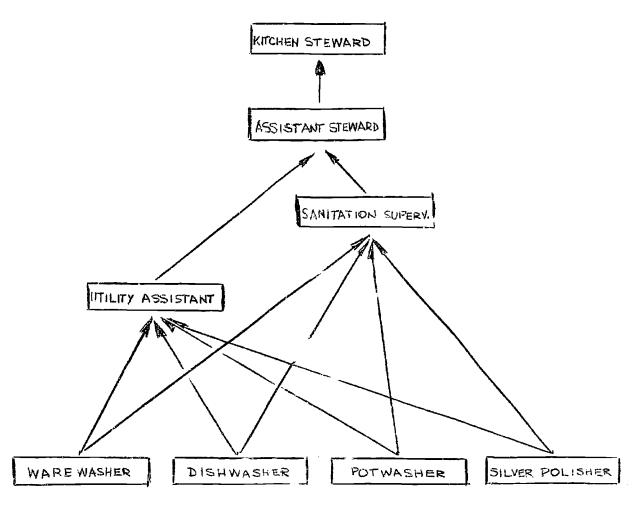
Chart I provides a pictorial representation of possible upward mobility in the support function area. Entry level position incumbents of warewashers, dishwashers, potwashers and silver polishers could train for the position of utility assistant in the same area or cross-train to entry level positions in one of the three remaining functional areas. The utility assistant position which frequently carries the title of porter, or general kitchen worker, can function as a swing position, assisting in those areas where and when necessary due to the absence of another employee, or during peak work load periods. The utility assistant could progress to the position of sanitation supervisor, or cross-train into other functions. The sanitation supervisor could be promoted to the assistant kitchen steward, perhaps alternating with the kitchen steward as to the work shift covered.

Production Function Progression Chart

Chart II provides an illustration of an advancement scheme for the production function. The entry level positions could be a vegetable preparation task, or an assistant's position in the meat, poultry, and fish area, pantry area, or as a second or lower level cook or baker's assistant. Vegetable preparation personnel could be promoted to the position of assistant in the production function area or cross-train to any entry level position in one



SUPPORT FUNCTION PROGRESSION CHART CHART I





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of the remaining functional areas. Assistant meatcutters, pantry personnel, and cocks and bakers may train for higher level positions or cross-train, if they so desire, to other areas. The non-management position of operating chef represents the highest level in this functional area and would be open to anyone completing the required training at lower levels in this department.

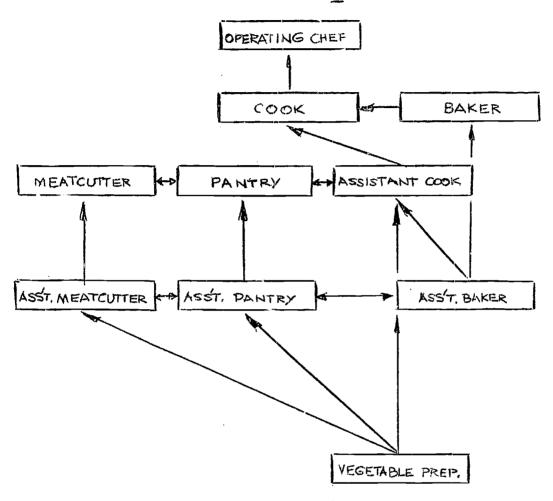
The Control Function Progression Chart

Chart III depicts the promotion system for the control function area. Entry positions are those of food runner, receiving clerk, and food checker. A food runner, or one who fills requisitions from storage facilities could be promoted vertically to receiving clerk. The receiving clerk could be promoted to storeroom attendant for one storage area or a food checker in the kitchen if the food facility operates on that basis. The storeroom attendant could move up to storeroom supervisor and eventually to a position possessing purchasing responsibility for food, beverages and supplies. The food checker could be promoted to cashier who in turn could assume some purchasing responsibility. Individuals in any position could cross-train into other functional areas. For example a food runner may be interested in production and cross-train into the vegetable preparation position or as an assistant to a meatcutter, cook, or pantryman. If he is interested in service, he may cross-train as a busboy or barboy with the intention of eventually becoming a waiter or bartender. A woman in the position of food checker could cross-train in a service area position such as a waitress or cocktail server, with the intention of eventually becoming a hostess.

Service Function Progression Chart

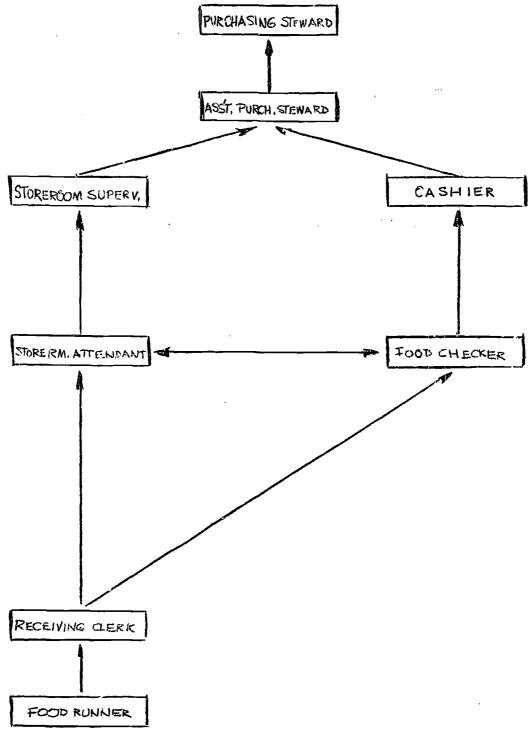
Chart IV indicates the promotion path available to employees in the service function area. Entry positions are function set up tasks, bus help, waiter-waitress or cocktail server positions. Advancement opportunities in this area rest in either the food service area or the beverage service area. Cross-training could occur as warranted. For example, a busboy may cross-train in the production area starting as a vegetable preparation man, or may become interested in the control area and cross-train as a food runner or receiving cler A waitress could cross-train to a position of food checker, become a cashier, and eventually assume some purchasing and clerical responsibilities.

PRODUCTION FUNCTION PROGRESSION CHART CHART T





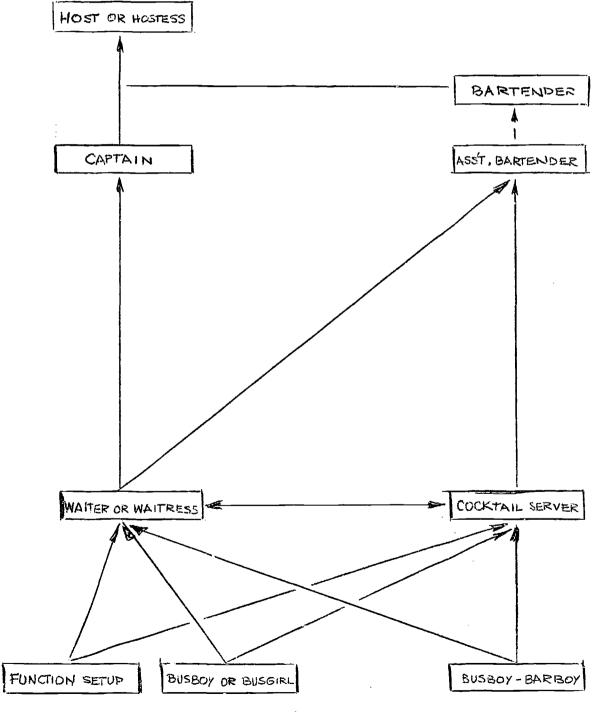
CONTROLL FUNCTION PROGRESSION CHART TO





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SERVICE FUNCTION PROGRESSION CHART TO





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Integrated Career Progression Model

Chart V illustrates the integrated career progression model relating the four functional areas to one another by means of a numerical scale that places each position in perspective to every other position in terms of responsibility. The potential for vertical or horizontal movement is clear, but can only be effected if designed in consonance with a carefully planned training program for each position, the sum total of which represents the comprehensive training system used by the firm. The attendant factors of manpower identification, job environment, orientation, wages and fringe benefits: __l organizational and industry progress must be developed concurrently to give training and career progression meaning, credibility, efficacy.

Implementation of the Career Progression Model

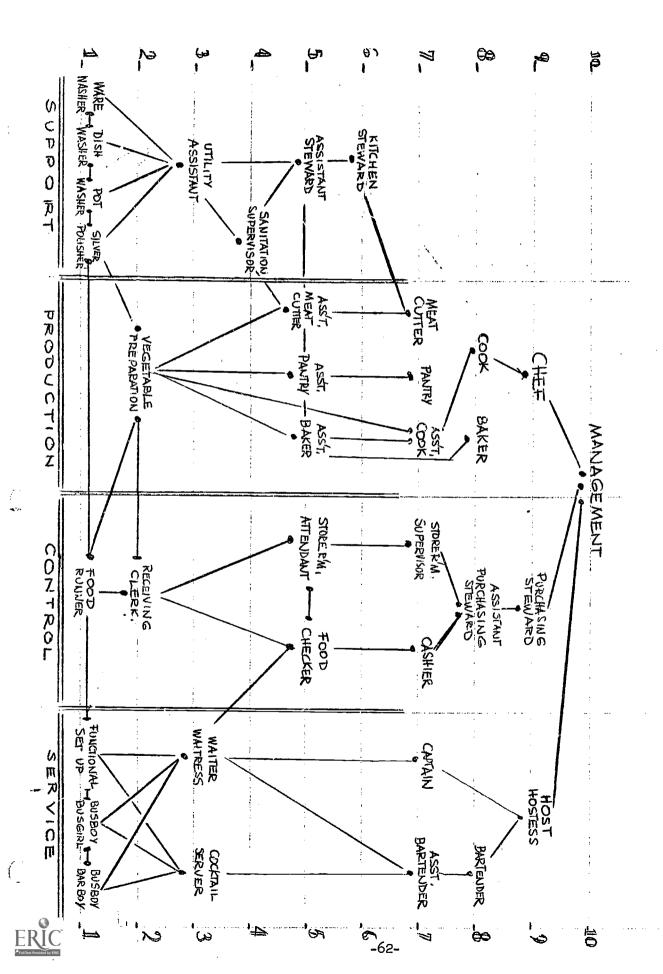
Each organization must develop its own career progression system that considers the particular conditions, specific positions, and the type and style of operation characteristic of the company. After positions have been identified, progression channels demarcated, and training standards, task elements, and controls delineated, the system can be implemented on an experimental basis. All conditions preceding entry into training and career progression must be properly established as the foundation to the success of the program. Tangible results of training and career progression must be visible in the form of increased wages, awarding of a higher job skill level designation, recognition through the award of a training certificate, and personal mention in the house organ, if the developmental cycle is to reinforce and perpetuate itself.

Several problems will be encountered, and objections can be raised concerning the design and implementation of the system. It has been argued that promotion opportunities do not develop quickly in food service, and that this can detract from any career ladder and stifle upward mobility. This objection can be met on several grounds. Better utilization of personnel, such as employing females in entry level positions could limit the number of persons desiring training for advanced positions. Hiring some women employees, who are often the second wage earner in the family, or who do not want to assume greater responsibility can open training channels to younger employees



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FUNCTIONALLY INTEGRATED CAREER PROGRESSION FOOD SERVICE FACILITY . CHART MODEL TOR A



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who actively seek advancement. Cross-training employees can add to the flexibility of the organization, lend to job enlargement, and possibly reduce costs, if employees are scheduled for different areas at different times depending on peak work load periods. The more lateral training one receives the greater the comprehension of the entire organization, and the smoother the transition when a vacancy does occur and promotion from within results. These factors, coupled with a meaningful wage increment scale based on completion of training, assumption of greater responsibility, or seniority and merit can help insure success of the program.

It is vital that some career system be developed and instituted, if only on an experimental basis, to solve many of the problems facing the industry. It must be emphasized that at the 1970 Conference on Manpower and Education in the Food Service Industry, sponsored by the National Restaurant Association, it was concluded that it is in the best interest of the industry to adopt a career ladder system for non-management personnel. This would enhance the image of the industry and help to attract persons to work in it. The time has come.

PART II



APPENDIX 1

Eighteen Company Case Studies of Food Service Organizations



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Company No. 1

General Background

The Company is a medium sized organization which has begun to diversify in the past few years. It began as a small street counter operation in the 1920's where one could buy a choice of sandwiches and beverage. The Company has expanded over the years, not suffering greatly during the depression, remaining strictly in the restaurant field until the 1950's. At that time, it developed packaged foods and a new line of restaurants, more elegant in nature than those held previously. Today the Company, which has been acquired by another large organization, also has several inns. It has also diversified by introducing a new type of restaurant which will serve a limited menu of beverages and sandwiches. The traditional restaurants cater mainly to businessmen and shoppers in strategically located downtown areas and shopping centers. The more elegant restaurants cater to people looking for luxury dining, and live entertainment is often part of the atmosphere.

The Company is also moving into institutional feeding to the extent they either provide management services or total service for many large companies. Their food products are sold throughout the country, and the Company has also found it economical to cut down on labor in the kitchens of their restaurants by using these same food products.

Members of the research team visited the Company and interviewed the Vice President of Personnel. He stated that the Company has 50 units in the restaurant and inn division, 31 of which are in the traditional style, ten of which are specialty operations which include restaurants on upper floors of various buildings in major cities, and nine are motels. The Company provides management services to 60 major companies across the country.

In addition, the research team interviewed 19 employees on the job at three different locations of the Company. Of the 19 current employees interviewed, 14 were white and five were black, 14 were female, fiv: were male, and ages ranged from 18 to 62 years. Seven of the current employees were under 25 years of age, and educational backgrounds ranged from the fourth grade to junior year in college. Eleven of the 19 employees had finished high school. Length of service for the current employees ranged from three weeks to 25 years with eight of the 19 having five or more years of service with the organization. Positions



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held by current employees interviewed included: meat cook, grill cook, pantry worker, waitress, busboy, hostess, bartender, dining room supervisor, receiving clerk, preparation girl, second cook and dishwasher.

The research team interviewed seven <u>former</u> employees of the Company. Six of these persons were female, one was male, five were black, and to were white. Educational backgrounds ranged from ninth grade to a master's degree in education. During their employment with the firm the seven former employees had held positions as busgirl, waitress trainee, waitress, bookkeeper bartender, and pantry server. Length of service for the seven former or ployees ranged from two days to 15 months. Only one person had worked over a year with the Company.

I. Manpower Identification:

The Vice President of Personnel of the Company indicated that he was experiencing difficulty in obtaining non-management food service personnel, and stated that the turnover rate was approximately 7.9 percent per month, which amounted to an annual turnover figure of nearly 100 percent. He stand that the occupations in which turnover was most evident in order of highest turnover, were dishwasher, waitress and busboy. The Company has had to lower selection requirements in order to obtain personnel and now has trouble retaining employees, as persons hired under the lower standards, in his words, "Can't always hack it".

The Company requires a tenth grade education for cooks, eighth grade education for dishwashers, and although they once hired only high school graduates for waitresses, they now accept as low an educational level as ninth grade for this position. The Company does not consider a prison record a bar to employment as the Company has no distinct policy on this matter. The Company would not hire a man, however, who had been convicted of assault or similar offense, due to the number of women working in the restaurants.

The Vice President indicated that the major sources for obtaining labor for non-management food service positions are advertising, referrals by other employees, and occasional use of employment agencies, churches, schools, welfare departments and government programs.

All job applicants are interviewed, first by the employment coordinator, and then by the unit manager. Applicants are not required to take personnel tests of any sort. They are required to list business references which are checked in most instances.

Physical examination of an applicant is not offered as a condition of



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employment other than to conform to local health laws. If a person appears desirable, but is in poor health when he applies for a job, the Company will pay for a checkup.

Of the 19 current employees interviewed, nine reported that employment with the Company was their first working experience. Five employees had come from previous positions in the food service industry and five had gravitated from other industries. When asked how they became aware that there was a job opportunity with the firm, four persons indicated that they had just stopped in looking for work, nine said they had become aware of the opportunities through a friend, five saw a newspaper advertisement, and one was referred through an employment agency. Only four of the 19 current employees interviewed indicated that they had ever received any formal food service training prior to employment with the Company.

Of seven former employees interviewed, three persons reported having had no other job prior to employment with the Company. The remaining four persons indicated that they had held previous employment, but their position had not been related to the food service industry. Four of the seven persons indicated that they had found out about the job through a newspaper advertisement, two had learned of a job through an employment agency, and one person had become aware of the job opportunity through a friend. All seven persons indicated they had to fill out an application form and all had received a personal interview.

None of the seven former employees interviewed indicated that they had taken a personnel test of any sort. Six of the seven indicated that they had received full information as to what the job entailed, only a bartender indicated that he had not.

II Job Environment:

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Several of the <u>current</u> employees interviewed indicated that the Company had very strict guidelines as to what employee conduct was expected. Some of the current employees felt this was good in that they continually knew what was expected and required of them. On the other hand, other employees felt that many of the rules were too strict and meaningless.

The most often stated complaint about working for the Company was the low wages offered to employees in comparison to wages in other local industries. Many of the current employees indicated that this was their only complaint in working for the Company. Several employees indicated that they enjoyed the fact that they were paid time and a half for working holidays and Sundays. One of the



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cooks indicated that this was the only restaurant operation where he had worked that operated with a split shift, and he only had to work one Saturday a month. Several people indicated that scheduling seemed to be somewhat of a problem in that often they were overstaffed while other times they were understaffed. The majority of the current employees felt that the Company was an excellent organization for which to work and that they not only got along well and enjoyed the companionship of their fellow employees but management seemed to be very concerned about them as individuals.

Several of the <u>former</u> employees indicated that they were dissatisfied with the low wages being offered to them and that many of the Company policies and rules were much too strict. Others were complimentary. One individual, a former cook, remarked that he was extremely impressed with the cleanliness of the kitchen facilities in the operation where he had worked. One waitress indicated she had left the Company because she was working on the night shift and, "I was scared to death of going to the parking lot at 2:00 a.m.". She went on to state that if they had put her on the day shift, she would have stayed with the Company as she had thoroughly enjoyed her work.

III Orientation:

The Vice President indicated that the Company does not have a definite orientation program for employees holding jobs in non-management food service positions. He stated, however, that in the future, the Company will need more orientation in order to reduce turnover and that they would probably use more audio-visual aids for this purpose.

New employees are told what is expected of them in the jobs that they have assumed and are given a complete description of the job by their department heads. Applicants are not verbally informed of fringe benefits offered by the Company other than, "as needed to sell the applicant on the job". All employees are apprised of the employee handbook and are given a large packet of information listing such things as Company history, insurance policies, benefits offered by the Company, rules and regulations to which all employees are subject, and other information. It is up to the employee to review this literature on his own time as the Company does not make a policy of sitting down with the employee and discussing these matters.

Of the seven <u>former</u> employees interviewed, only two persons indicated that they had not been introduced to their co-workers. One person indicated that she had been introduced to just a few people and four indicated that they had been



introduced to all other employees at the operation. Two of the former employees indicated that they had not been given a tour of the organization when they began employment. Six of the seven had been provided with the information about their job while the seventh person indicated that he had not been told what to do or what was expected of him. Five of the seven individuals indicated they had received information on Company fringe benefits and existing wage schedules.

IV Training:

The Vice President indicated that the Company has a formal training program for all positions at the non-management level in food service units, and that they are beginning to use audio-visual aids as a training device. The majority of the persons employed at any particular unit are waitresses as the Company uses ready made frozen foods which only need to be reconstituted. Therefore, the following is a discussion of the training program for waitresses.

The program lasts from three to six weeks, depending upon individual progress. In each unit there is a person designated as Directoress of Service or Training Hostess who acts as the instructor for all waitresses. The Directoress keeps progress reports on all training waitresses, but the reports are not sent to the central office. Although no wage increase is offered during training, waitresses, after a 60-day probationary period, are given a raise or employment is terminated. When asked if employees might be required to change location after completing the training program, he indicated that this was an infrequent occurrence. A person in training at an existing store may go to work in a unit which has not yet opened if he asks or so desires. The Vice President indicated that crosstraining does occur in non-management food service positions.

The Vice President had no idea what the training program cost the Company. He remarked that the Company has no system for determining such costs. Employees are selected for training when hired, and all new employees undergo some sort of training. Further training is based on present job performance. The average number of employees involved in training at any given time averages 7 to 8 percent overall, but this varies greatly over the year as many college girls work part-time in the summer. For example, in September, 20 to 30 percent of the employees might be in training, while in January it might be as low as 3 percent. Instruction for training waitresses is given on the job as well as in the class-room.

The Vice President indicated that he expects training needs of the Company



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to change in the future and indicated that the Company would need more orientation and would use more audio-visual aids for training. He stated that the Company would make greater use of training progress reviews and would continue to develop specialized programs for specific jobs in specific stores.

Most of the <u>current</u> employees felt that the training they received was beneficial and adequate to prepare them for the job which they held. Several indicated that they enjoyed the classroom instruction as there was less pressure and it was a more relaxed atmosphere than actually being on the job. Several indicated that they would have liked this relaxed classroom training to have lasted for a longer time before actually going on the job. Several waitresses indicated that they would like the Company to give occasional refresher courses to upgrade and reinforce the skills they had learned during the initial training period. Many of the current employees had been at a particular operation when it first opened and remarked on the extensive four-week training program they had undergone prior to the opening of the unit. They felt that this training had been extremely beneficial to them.

V <u>Career Progression:</u>

The Company does not have a specific promotion schedule for non-management employees, rather, it is Company policy to hire people for a particular job rather than to promote from within. Even though there is no structured promotion policy, applicants and new employees are supposed to be apprised of the possibility for promotion if they show interest in their current job.

Eight of the 19 current employees interviewed indicated that they had held previous positions with the Company and that their present job was at least the second one held with the Company. Fifteen of the 19 current employees indicated that the Company had no definite promotion schedule for their job area, or if there was one, they were not aware of it. Several of the current employees indicated that they were in dead-end jobs and promotions were highly unlikely for them. One individual thought, because of the dead-end nature of many jobs the industry did not have the respect of the general public.

VI Fringe Benefits:

All employees are given a small pamphlet describing various job benefits, which are provided voluntarily by the Company. The job benefits are: job security (it states there that there has never been a Company layoff in any restaurant), fair wage policy (it states that wages paid are equal or better than the



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average in the area), and paid vacations (it states that one weeks vacation is given for one year's service, two weeks for two year's service, three weeks for ten year's service, and four weeks for 20 year's service). Paid holidays are offered and the employees are equipped with all tools and uniforms that are needed for the job. Employees are given meals while on duty, which may be chosen from the regular guest menu. Overtime is paid at time and a half for work in excess of 40 hours per week. Time and a half is also paid for work on Sundays, and double time is paid for work on Mother's Day and Easter.

A group insurance program includes insurance protection through a major company. The booklet describes this program by stating that the Company shares the cost for full-time employees after three months, or for part-time employees after one year's employment. The Company also pays the entire cost of an individual insurance after five years of service, for full-time and part-time employees. Life insurance is available to full-time workers when they have completed three months of service. The minimum policy available is \$2,000 and this basic amount increases to \$3,000 after five years and to \$5,000 after ten years of service. Accidental death and dismemberment insurance in the amount of \$2,000 goes into effect after three months of full-time employment.

The pension plan of the Company allows the employee to receive benefits when he retires at age 65, with a minimum of 10 years of service. The employee can also receive reduced benefits by retiring earlier, at age 55 with 15 years of service. A cash bonus is given to employees at Christmas, and varies in amount according to length of service with the Company.

Few benefits apply to trainees, as most benefits start after three months of service with the organization.

Seventeen of the 19 <u>current</u> employees interviewed were able to mention two or more fringe benefits offered by the Company. Several part-time workers who had not yet qualified for benefits were aware of those offered to its full-time employees. Apparently, there is good communication between management and the employees insofar as benefits are concerned.

VII Company Development:

The Vice President for Personnel indicated that in the future, the Company would be developing further their new line of fast food type operations with a limited menu of beverages and sandwiches. He felt that these operations would create jobs which would not require as extensive training as that required



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in the Company's luxury type restaurants. As a result, he saw a more expanded training program as being required, but covering a shorter duration. The Company is planning and is presently developing visual aids for job positions within the organization and intends to use them to a greater extent in the future than is presently accomplished.

The Vice President also indicated that the Company has and will continue to make use of TV and career days at high schools to promote both the Company and the industry. He feels that programs of this sort need to be carried out in order to entice workers to enter the food service industry. He stated that programs of this sort were not sufficient however, and industry would have to upgrade its standards and wages in order to attract and retain new employees.

Many of the <u>current</u> employees felt that the industry was a good one in which to work and were extremely pleased with their working conditions.

The researchers felt that the Company did, indeed, have its eye on the future in terms of training, and that they have a very effective classroom and on-the-job training program. The interviewers were able to sit in on the classroom style training of waitresses, and were impressed with the respect accorded to the Directoress of Service as she lectured training waitresses on the proper procedure for obtaining drink orders and serving them to patrons.

The Company also has a future perspective in that it is diversifying within the food industry. It was apparent that up-to-date technology and management techniques were being applied. This was due in part, perhaps, to the fact that the firm has been acquired by a large conglomorate known for their operating efficiency.

Although the Company had in mind and was in fact attempting to improve its existing training program, it had given little thought to the possibility of a clearly-defined program with career ladders for advancement of its employees. This impression was received from Company officials who felt the Company could obtain enough labor for the various positions in their food service units. Another impression was that the line management of the Company, on occasion, was frustrated by the fact that there was no career system, and that the institution of such a system would help alleviate turnover problems. The impression was received from the three store managers and from the division manager who was in charge of nine units. With the exception of one manager, who had worked



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his way up through the ranks, the unit managers and the division manager were all relatively young men, who themselves had an upward orientation for job progression and felt that this was necessary at the non-management level if stable employment was desired.

Company No. 2

General Background

The Company is a relatively large, diversified company that has been in operation for several decades. The corporation has a variety of business interests, including in-flight feeding facilities, specialty restaurants, and has acquired a fast food chain, gift shop merchandising operations, and is a large operator of airport terminal feeding facilities including dining rooms, coffee shops, snack bars, and cocktail lounges. The Company has started a large chain of specialty restaurants which feature a luxurious decor to attract upper middle class clientele. Gift shops located in hotels, airports, and along highways are also major revenue sources for the Company. With lateral expansion in mind, it is now acquiring a processing company, and has plans to more than double the use of its units wit in the next year.

In addition to speaking to the Director of Personnel for the firm, the research team interviewed 20 current employees at four different units, in three cities. Five former employees of the Company were also contacted.

Ten of the twenty current employees interviewed were female, and ten were male. Fourteen persons were white, five were black, and one was Spanish speaking. The ages ranged from 18 to 53 years, with ten of the 20 persons being under 25 years of age. The educational background of the current employees ranged from sixth grade to a college graduate. Only four of the 20 reported they had not finished high school. The length of service with the Company ranged from two months to five years. Ten of the 20 had been with the Company for over one year, but only four had been with the Company longer than three years. The positions held by the 20 current employees included utility worker, catering assemblyman, pantry worker, cook, driver, waitress, dishwasher, hostess-cashier, busboy, and food runner.

The research team had limited success in contacting former employees, since the labor pool in the area visited is migrant. Three of the five persons contacted were female and two were male. Four of the interviewees were black and one was white. The ages of former employees interviewed ranged from 18 years through 29 years. Educational background ranged from tenth grade to two years of college. Three of the five persons held a high school diploma. One of the former employees was still in high school, and one stopped at the tenth grade. Only one former employee had worked in the food service industry previous to employment with the



Company. The range of time that former employees had worked for the Company varied from three days to five and one-half months.

I Manpower Identification:

The Director of Personnel revealed that the turnover rate for 1968 had been 180 percent and that it was most likely to be the same for 1969. He stated the biggest problem was retaining dishwashers, kitchen porters, waitresses, and cooks. He stated that once cooks had been employed for a period of three months, the Company had relatively little turnover in this position. From his point of view, turnover problems existed due to the very short indoctrination period offered in many of the units, or the fact that in several units there is no orientation. He considered the crucial time for retaining employees to be the first three or four days of employment, but admitted his Company had been lax in focusing on this period by not developing programs designed to meet employee needs and expectations.

The Director indicated that no formal educational level is required for employees in non-management positions. A prison record is not a bar to employment in these positions, although the Company would be hesitant to hire someone as a bartender who had a history of arrest for larceny, or hire anyone who had been engaged in narcotics traffic. He stated the Company's primary resources for obtaining labor for non-management positions are employment agencies, and classified advertising. Although the union represents 50 percent of non-management employees within the Company, the Director recalled that the Company received few employee referrals from the union.

When asked if all job applicants were personally interviewed, the Director of Personnel stated they were, and went on to indicate that policy varies according to the size of the unit. In the larger units, such as an air terminal, the personnel representative conducts a preliminary interview. If the applicant is acceptable, he will be sent to the supervisor under whom he will be working. In the smaller units, the manager usually interviews all applicants.

The firm requires submission of a formal job application which is the same for all operations run by the Company in all areas of the country. No personnel tests of any sort are used by the Company, except that in some geographic areas, where the educational level of the applicants is lower than the rest of the country, occasionally a math test will be given to those persons dealing with



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the cash, upon the judgment of its necessity by the unit manager.

Personal references of all applicants are required and it is Company policy to check references, although the Director felt that in practice very few are checked. Physical examinations are not required as a condition of employment, nor are any annual physical examinations required except to conform to existing laws.

Of the 20 current employees interviewed, only four reported that they had held a position in the food service industry prior to employment by the Company. Eight of the 20 persons reported that they had become aware that jobs were available in the Company through a friend or relative. Seven of the 20 persons walked in looking for a position, two persons had become aware of a job opportunity through a newspaper advertisement, and one individual had become aware of a job opportunity through a public employment office. One individual became aware of the job through a private employment office, and one person had been sent to the Company through a youth opportunity center. The majority of the 20 current employees interviewed indicated that they had decided to work for the Company as it had been the first job available to them.

Only three of the 20 persons interviewed had received any formal food service training prior to employment with the Company. One had been a mess sergeant in the U. S. Army for 20 years, another was a college sophomore studying to be a dietitician, and a 26 year old pantry girl had taken a home economics course in high school.

Only one of the five former employees interviewed had worked in the food service industry prior to employment with the Company. This individual had been employed in a hospital kitchen as a salad girl. None of the five former employees had received any formal food service training, although one individual had attended a school for the food service industry, but left after one week. Two of the five former employees had learned of the job opportunity from friends, one had responded to a newspaper advertisement, one had walked into the establishment actively seeking employment, and one was referred to the Company by a local college.

All five former employees indicated that they had filled out an application form when they applied for the job, and all received a personal interview. All five persons replied that they had not been asked to take any personnel tests when applying for the job.



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II Job Environment:

Due to the many diverse types of operations in which the Company is involved, they have found it difficult to establish uniform working conditions for non-management personnel.

The <u>current</u> employees indicated three main sources of dissatisfaction with their jobs: low compensation paid for their serwices, poor employee-employer relations, and poor shift scheduling on the part of management. Several of the current employees indicated that one day there would be too many people on the job and the next day not enough. Current employees also indicated that they frequently had been called into work on their day off. Others indicated that they did not like the odd hours or the fact that they had to pay for parking in order to work. As one waitress said, "We are in the jetset age and this outfit has a horse and buggy operation".

Many of the current employees stressed the dissatisfaction with employeeemployer relations within the Company. Several stated that management was not concerned with them as individuals and they felt that they were being treated as slaves or servants. Several of the former employees contacted also indicated that management's insensitivity to their problems and needs had caused a great deal of dissatisfaction on the job.

III Orientation:

The Director indicated that the Company has no formal orientation program. Several of the units do have a short indoctrination period but many of the units have no orientation of any type. He went on to state, however, that his primary job would be to establish a Company-wide orientation program.

The Director stated that applicants are generally apprised of wage schedules and pay increases that exist. There is no Company policy on wage schedules, as it is handled on the unit level. The Company now is working on a Company-wide policy. Approximately 75 percent of the non-union units had some sort of wage step system. Applicants are not told of a promotion schedule as in most cases there is no definite promotion sequence.

The Director further indicated that it was a rare occurrence when a job description was given to an applicant or new employee. Applicants are, however, informed of fringe benefits prior to employment to the extent that they are told that the various benefits offered are listed in the employee handbook. The Company



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has no Company-wide employee handbook, although each unit uses a format with information specific to the individual location.

The Director related that he envisioned the new orientation program as being of a three to four day duration to include a tour of the operation, general information about the Company, and information about the job for which the person has been hired.

Only one of the five <u>former</u> employees indicated that he had been given a tour of the operation and introduced to his co-workers. Four of the five former employees responded that they had received full information about their job, and one stated that he had had to ask about it before he was told what was expected of him.

Two of the individuals had been told about a wage schedule, but none of the five persons were informed of any existing promotion system.

IV Training:

The Director indicated that there is no formal training program. Dishwashers, cooks, and waitresses alike are placed on the job one or two hours after they are hired. Within the last three years, there have been several persons in the airport division who have travelled to various locations to conduct one or two day training classes, but due to a shortage of personnel, they only returned to the same unit once every nine months. Intensive training is undergone by all employees before the opening of a new unit, but then, in the words of the Director, "We drop the ball".

The Director stated that he expects the Company training needs to change in the future in that there would have to be more classroom training. He expected the training program to be instituted on a Company-wide basis which would include audio-visual materials, and would not only pertain to job skills, but would include such things as safety features and Company history.

The Director of Training who is to be hired shortly will be responsible for establishing training policy and instituting classes to train first-line supervisors. The first-line supervisors will then be used for conducting training at unit levels in the future. The Director further stated that he hoped to see more comprehensive orientation programs to make new people feel that they are, indeed, a part of the Company.

Of the 20 current employees interviewed, ten indicated they felt the training offered by the Company was adequate. The other ten felt that it was either



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haphazard or nonexistent. As one 53 year old fry cook indicated, "It's terrible, they just throw young people in with us and they expect us to train them, but that's impossible when we are busy".

Several individuals indicated that they would have appreciated more practical training in such elementary areas as where supplies, silverware and china, were located, menu prices, and how to complete the guest check.

When asked if they felt their trainers had been sincerely interested in their progress, ll of the 20 stated "yes" to this question, five stated "no", and four indicated that because they had no training they could not respond to the question. It should be noted that those persons who answered "yes" to the question indicated somewhere in the interview that they had established a personal rapport with the supervisors and for this reason, their training had been on a more personal level.

Of the five <u>former</u> employees interviewed, all five indicated that they had not received any formal training when they assumed employment with the Company. Four of the five did indicate that they had received some on-the-job training.

V Career Progression:

The Director indicated that there is no corporate promotion schedule. On occasion, a dishwasher may advance into the pantry and to cook's helper and then to cook, but this is for exceptionally good people who are identified and recognized by management. He went on to state that he feels the lack of any definite promotion schedule is probably the Company's second largest concern with reference to labor turnover. Although management realizes they are lacking in the area of career progression and promotion, they are not at the present time planning any program to alter the situation.

None of the 20 <u>current</u> employees interviewed had held another position besides the one in which they were presently employed. When asked if they felt the Company had a genuine interest in their future, ten of the 20 individuals interviewed stated, "no", seven individuals said, "yes" and three persons said they, "didn't know". A 27 year old waitress verbalized the sentiments of many employees when she stated, "There are women here who have been working for 18 years in the same position with the same pay that I make now. There's no advancement here whatsoever".

Ten of the 20 current employees stated that it was their intention to make a career in the food service industry, eight persons stated that they did not



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intend to stay, and two persons stated it depended on such factors as promotion, pay, and working conditions. With the exception of one college student, who was studying to be a dietician, the younger employees did not intend to stay in the industry but were looking for opportunities in other areas. Several of the older employees indicated that they would stay in the food service industry because that was all they knew. A 26 year old cook stated that he did not intend to make a career in the industry saying, "No, I only want this job to supplement some education. I don't think there is much opportunity for blacks in food service. I haven't seen very many black managers".

Nine of the 20 current employees indicated that they felt that their experience was adequate to prepare them for future jobs within the Company.

When asked if they had been promoted since beginning employment with the Company, 14 current employees indicated that they had not, while six persons said that they had received at least a lateral transfer within the Company. Again, many of those persons who had not received a promotion were temporary employees, holding the job for the summer period. When asked if they were looking forward to a promotion, 13 persons said, "no" and seven persons responded, "yes". The majority of those persons who responded that they were looking forward to a promotion were under 25 years of age.

Only one of the 20 current employees felt that there was some sort of definite promotion schedule within the Company. When asked if they would be willing to change their geographic location if a promotion were offered to them on that basis, ten persons stated that they would be willing to move, seven would not, and three said it would depend on both the circumstances of the promotion and the geographic location in question.

None of the five <u>former</u> employees interviewed had been informed of any promotion system within the Company.

VI Fringe Benefits:

The firm offers a large package of fringe benefits to its employees. The Director of Personnel stated that both hospitalization insurance and major medical insurance are offered, although the individual pays for additional coverage for his family. Hospitalization and health insurance do not apply immediately to new employees in that an employee has to work for 60 days in California and six months in other states before being eligible to receive these benefits. There is no standard overall Company policy on holidays and whether or not overtime is paid on holidays varies from unit to unit.



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The Company does not provide any transportation or travel allowance to employees. All uniforms, tools, and necessary equipment are provided free of charge. The Company offers paid vacations, one week for one year of service, two weeks for two years of service, and three weeks after ten years of service.

The Director reported that Company policy on free meals to employees on duty varies from unit to unit, but all Company personnel are eligible to receive a 25 percent discount on merchandise sold in the Company's gift shops. The Director then discussed the profit-sharing plan which the Company has just started and for which an employee is eligible after one year of service.

When asked what benefits the Company offered, seven of the 20 current employees interviewed named medical insurance, four persons named profitsharing as a benefit, four persons named meals, one person mentioned the discount on purchases in the Company gift shop, and six persons indicated the Company offered them no benefits whatsoever.

All five of the <u>former</u> employees interviewed stated that they were provided uniforms and equipment to do their jobs, and they were also advised to whom and where they should report to work. Two of the five former employees indicated that they were not aware of any fringe benefits offered to them by the Company.

VII Company Development:

The Director indicated that he felt his Company was certainly far above most others in the food service industry in the benefits offered to employees. However, he felt that there was a definite need for upgrading positions within the industry and developing thorough and complete orientation and training programs. He stated that his Company was attempting to assist employees in improving their skills in their job area. Up to \$150 is given to the employee to defray educational expenses if he takes an academic course related to his job, but in order to receive the full amount, the employee must earn the equivalent of a "B" grade in the course. A "C" grade entitles the employee to only 75 percent compensation while a grade of "D" or below does not entitle the employee to any compensation.

Several of the <u>current</u> employees indicated that they did not feel the food service industry was respected by the public as employees were thought of as servants or slaves. The, further indicated that they would have to be upgraded and that this could occur only if it were equal in pay, security, and benefits other industries. Current employees indicated that there should be a better vision of labor, and the food service industry should set standards of conduct

for employees. As one waitress stated, "This is slavery on a sophisticated level in the 20th century, in terms of wages, working conditions, and human respect. Management feels that there are enough bodies in the labor market that they don't have to improve all this".

Several current employees also indicated that they felt the image of the food service industry could be raised. Pay incentives were the most important items to the hourly employees. Many also felt that employee-employer relations would have to be improved if young people were to be attracted to the industry. One hostess stated, "It would be better if management were to give you a Christmas bonus, not a mimeographed Christmas letter".

It was felt by the research team that the lack of training stems from the very nature of the Company's operations. Operations such as terminal feeding at airports requires management to take the time to commit themselves to designing training programs. It must be noted, however, that the Company was dealing with a labor force that was one of the most migrant groups seen by the research team.

With the exception of the employees at one unit, nearly all of the persons interviewed indicated that they were not attracted to the Company because of high wages, fringe benefits or reputation but rather because, "It was the first job available".

When speaking of fringe benefits, it should be noted that the firm did have one of the most comprehensive profit-sharing plans seen during the survey. It also offered medical insurance to its employees but neither of these benefits were well communicated to the employees interviewed. The lack of an orientation program was evident. Several employees indicated that they had received a book-let describing employee benefits but either had not taken the time to read it, or they could not understand the contents. It should be emphasized that the Personnel Director did state that the first job of the Training Director would be to establish a comprehensive orientation program applicable to all employees in all types of operations.

Loyalty was usually to the first line supervisor or unit manager. An exception to this concerned the employees of one specialty restaurant. All seemed to show quite a bit of unit loyalty, but the fact that it was a new unit, having only been in operation for two months, and the fact that the workers received relatively high wages and tips could account for this sentiment.



The mobility of the labor force in the area visited by the team was demonstrated when the research team tried to contact former employees. Names and telephone numbers of 50 former employees who terminated employment within the past 30 days were taken from personnel files. Only five persons of this number could be contacted. The percentage of disconnected phone numbers, and the number of persons who had apparently been living in apartment houses equipped with only a pay phone seemed to be much higher than those encountered in other large cities.

Another general impression was that much of the employee dissatisfaction stemmed from the fact that there was little upward mobility within the Company. The perceptiveness of the Company's employees to this fact seemed obvious due to the number of employees who mentioned that the jobs they were holding were dead-end jobs. Again, an exception to this was that the new specialty restaurant where the manager, on his own initiative, had increased lateral movement through the cross-training of all employees.

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Company No. 3

General Background

The Company operates a chain of over 30 restaurants. Their facilities vary as to the type of market they seek, but include family-type restaurants, gourmet restaurants, and fast food units. The Company expects that its greatest future development will be in the fast food operations.

In their family-type restaurants very little of the cooking is performed at the unit. The Company has its own commissary center which distributes food to each of the individual operations.

Three members of the research team interviewed the Director of Personnel, and the President of the organization sat in on the conversation and contributed to it on occasion. In addition, 22 <u>current</u> employees were interviewed at four locations. Of these 22 persons 11 were male, 11 were female, 20 were white, and two were black. Their ages ranged from 17 to 56 years, and nine were under the age of 25. Only four of the interviewees had completed high school or planned to do so in the future.

Six former employees were contacted by telephone to obtain impressions concerning their work with the Company. Four of these persons were men and two were women, four were white, and two were black. All six reported that they had earned a high school diploma, but only two of the interviewees reported having any food service experience prior to their employment with the Company.

I Manpower Identification:

In speaking to the Personnel Director it was ascertained that the Company has been having difficulty in obtaining and retaining non-management personnel. Cooks and waitresses are particularly difficult to hire and to retain. He stated that, although his unit managers are skilled and talented persons, he feels they needed more training in the human relations field. Their insensitivity, together with the undesirable hours during which the employees have to work, results in high labor turnover.

The Company has no formal educational requirement for cooks and waitresses, and a prison record is not considered a bar to employment. Most of the recruiting of new employees is accomplished through newspaper advertisements and through word of mouth communication between current employees and friends. The Company



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requires job applications and personal interviews for all new employees. No personnel tests are given, and although personal references are required, they are seldom checked. Physical examinations are required only to the extent necessary to comply with local laws.

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Several of the <u>current</u> employees interviewed reported previous experience in the food service industry. They gave various reasons for leaving their previous jobs, including low wages, wanting to change geographical location, or general dislike of the working conditions or supervisors. Confirming what the Personnel Director had indicated, most of the current employees reported that they learned of their jobs through newspaper advertisements or personal contacts.

Only two of the six <u>former</u> employees reported previous experience in food service. None had ever received any formal food service training. Five out of the six had become aware of their jobs with the Company through contact with friends or relatives. All of the individuals reported that they were required to fill out a formal application, but only four stated that they were given a personal interview when they applied for the job.

II Job Environment:

All of the <u>current</u> employees interviewed felt that the Company was a good organization for which to work. Most felt that the Company is one which is young and growing, therefore offering ample opportunity for advancement. Many said that they liked the friendly atmosphere in which they worked. When asked if there were any disadvantages to them in working for the Company, some persons replied that they did not enjoy working on holidays and weekends. One current employee stated that it was difficult working with the Company's continual shortage of supplies and employees.

All six of the <u>former</u> employees interviewed thought that the Company was a good organization. Most mentioned that they enjoyed working with "nice" people, and that they could speak to their manager whenever they had a problem.

III Orientation:

The Company has no formal orientation program, but uses a reference manual which is made available to each unit manager. Although this manual can be borrowed, not kept by new employees, few ever take advantage of the opportunity to use it. When a new property is about to open, members of the personnel staff



will visit the location and show slides on the history of the Company, methods of food distribution, service techniques, and conduct pre-opening training for several days prior to the grand opening.

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When asked about the orientation they received as employees of the Company, all six <u>former</u> employees reported that they had been given full information concerning their jobs, but only three of them had been introduced to their coworkers. Five of the six persons were given a brief tour of the organization, but only one person had been shown the entire facility. Three were not informed of employee benefits, and four were not told about wage schedules or promotion possibilities.

IV Training:

The Company conducts a formal training program for the positions of cook and waitress. New waitresses are required to follow a skilled waitress for a period of three days before working on their own. No wage increases are offered either during or after the training program. The Director thought that the training program was inadequate due to its short duration and because the instructors did not know the techniques of training.

Only two of the <u>current</u> employees interviewed had received some type of formal training before being employed with the Company. When asked about the Company's training program, some felt that it was good, but others stated that the program was not as effective as it had been in the past. Although most of the employees reported that they enjoyed the personal attention of the co-worker during their training period, many felt that the training period was not long enough, and that it was not as well conducted as it could have been. Many thought that the trainers themselves should be upgraded. Most felt that the training they received was inadequate in some aspects to prepare them for their present job and even more inadequate insofar as preparation for future jobs. Several persons did not feel that their trainers were interested in their progress. Likewise many of the employees thought that the Company looked at their progress with a selfish interest, that is to say, that the Company was more interest in meeting current needs than they were in future development of the employee.

Of the six <u>former</u> employees interviewed three reported that they received no training. Of the three persons remaining, none had received the full three days of training as outlined in the Company's policy book.



V Career Progression:

The Company recently has instituted a wage increment program for each non-management position which would insure wage increases every six months over a two-year period. The Personnel Director also reported that the Company has a promotion schedule, but stated that the unit managers were somewhat remiss in advising new employees of job descriptions and promotion schedules.

Six days constitutes a normal work week. Many of the new employees begin at an hourly rate of \$1.45, while the Federal Minimum Wage (at the time of the study) is \$1.30 per hour. The Director indicated that it was imperative that his Company stay ahead of the Federal Minimum Wage both to attract new employees and to reduce turnover.

Most of the <u>current</u> employees interviewed reported receiving a pay increase since they started work with the Company. There was, however, me girl who had not received a raise in pay in five years. Several of the employees reported that their pay had increased from three to ten weeks after they had taken the job. Ten of the 22 persons interviewed felt that the wages they were receiving were fair for the work they were doing. Seven persons reported they were looking forward to a promotion with the Company. Only eight of the interviewees knew of a definite promotion schedule for their job area, while 14 persons said either there was no promotion schedule or they were unaware of one. Twelve of the 22 persons interviewed also stated that they would accept a transfer of location if a promotion were offered them on that basis. Only ten of the 22 current employees interviewed reported that they would consider a career in the food service industry. The majority of these persons were over 25 years old. A high degree of Company loyalty was shown when most employees reported that they would like to continue working for the Company.

Most of the <u>former</u> employees interviewed had left the Company for personal reasons such as being tired of working two jobs, or for pregnancy. Two persons who left for higher wages at another company reported that they would have stayed with the firm had they been given a raise. Four of the six former employees accepted jobs outside the food service industry.

VI Fringe Benefits:

As stated by the Personnel Director, the Company offers few fringe benefits to their non-management employees. This situation is about to change, however, as



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the organization is consummating an expanded benefit package to non-management employees. The Company provides no transportation or transportation allowances for the food service workers, and many of the employees must supply their own uniforms. The Company does, however, offer major medical, hospitalization, and health insurance. Other benefits include paid vacations, free meals on duty, and a retirement program of one week's pay for each year of service. Educational assistance for a non-management employee would be an exception. Most of the fringe benefits did little to deter turnover, however, since most were not in effect until the employee had worked for six continuous months. Should the employee stay with the Company, he receives service awards each five years he is employed.

Many of the <u>current</u> employees were not aware of any benefits the Company offered them. Others could name only one or two such as the receiving of meals while on duty and insurance coverage. Likewise, only three of the <u>former</u> employees interviewed reported that they were informed of employee benefits when they were hired.

VII Company Development:

The Personnel Director is well aware of problems concerning non-management careers and labor turnover. Although he could see that the training needs and employee relationships will have to change in the future, he has met some resistance to his ideas from managers within his own organization.

Many of the current employees who were interviewed felt that the public accords the food service industry very little respect. These sentiments were summed up when one worker stated, "Some people tend to frown on the industry, and when they see a dirty job, they laugh". The comments of current employees were divided as far as the general public's feeling about their individual jobs. Nearly all of the persons interviewed felt that their job had the respect of their co-workers. Many thought that the image of the industry could be raised if wages throughout the industry were increased, scheduling of hours were improved, and a favorable image of the food service industry were projected to the public.

The Company seems to enjoy a favorable reputation for being a good place to work. This is somewhat due to their projection of the "family type" restaurant image. It appears that the Company enjoys considerable loyalty from non-management employees, and the survey team was continually impressed by the repeated reference



to the friendly atmosphere. The Company is investigating their training needs for the immediate future. Management seems concerned with the human relations aspect of training as well as employee welfare, as evidenced by their developing an expanded fringe benefit package, and paying higher hourly wages than many local establishments.



Company No. 4

General Background

This Company is a large corporation which operates food service units as a secondary endeavor. They operate over 2,000 counter service units as well as several cafeterias. Each unit is supervised by a food service director. The Company employs a Personnel Director for restaurant operations with whom three members of the research team visited. Although this gentleman felt that much of the information the research team was seeking would be on record at the various district locations, he indicated that he would attempt to answer all questions as best he could. Since the Company Personnel Director indicated that he would be able to enswer all the questions with respect to the food service operations of the Company, he would not authorize the research team entry to unit locations in order to interview current food service employees. Likewise, it was impossible to contact former employees by telephone since these records were maintained at the local level.

I Manpower Identification:

The Personnel Director reported that his Company was having difficulty in securing food service workers, particularly in the areas of sanitation and service, categories which represented the jobs of dishwasher, waitress, and counter girl. The Company has more trouble retaining male than female employees. Although he could give no estimated figure of the Company's turnover rate, the Director felt that among their food service employees the turnover was lower than for most other companies in the food service industry. He thought the turnover rate was high among sanitation and service workers because of the general upgrading of other industrial jobs in the country. This situation offers the employee a larger selection of better paying jobs than the one he holds in food service. The Director felt that much of the turnover problem was due to employee transportation difficulties. The Company does not offer employees a transportation allowance. The Company has no stipulated education requirement for food service workers, and they prefer to hire older persons who seem to be more reliable and better experienced than younger employees. To obtain their labor force, the Company relies primarily on current employees to pass the word to friends, and on public and private employment agencies. Completed



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application forms and personal interviews are required. Some applicants must take a test in basic arithmetic in which a low score may prevent being hired for positions such as waitress or casnier. Personal references are required and checked. Physical examinations are not required initially or periodically.

II Job Environment:

Due to the inability of the research team to interview current Company employees, or former employees, comments on the Company's job environment would be speculative.

III Orientation:

The Director reported that job applicants are supposed to be given job descriptions when they apply for work, and are to be informed of the fringe benefits available to them. The Company has two booklets available to new employees. One is a general information booklet entitled, "The World of (Company) Welcomes You", and the other is, "Your Introduction to (Company) Food Department" which is literature specifically developed for food service personnel. Nevertheless, even the latter which concerns itself with customer relations, appearance and handling of cash has little information for the "back-of-the-house" workers where the real turnover problem lies. The Company has new employees view film strips concerning the history and purpose of the Company. These film strips are shown only when a new store is opened; they find little use after that, such as re-runs at existing locations where turnover may have occurred. Although the Company also has some film strips specific to food service, it was inferred that they are little used. Once again, it is difficult for one to make an intelligent appraisal without having interviewed employees of the Company.

IV Training:

The Company offers no formal training program for non-management personnel. On-the-job training is conducted for counter servers. In this case, the food service director acts as instructor. After the breaking-in period, employees are not required to transfer locations, but the Company tries to accommodate them should they want to move. Not only does the Company not offer its food service employees a sound training program, but they also fail to develop the employee through cross-training.



The Director does not feel that his Company's training needs will change in the future, nor does he feel that his Company's program will change. He stated that his reason for feeling this way is that his Company has no future plans to move into areas such as convenience foods. Although he did not elaborate on Company plans, he stated that the firm hopes to employ many capable young people for their food service positions.

VI <u>Career Progression</u>:

The Personnel Director spoke of a well-defined wage schedule for non-management employees, but after pursuing the question, the research team saw little evidence of such a schedule. For promotions, an employee is dependent upon his own ability and initiative, for the Company offers no set system of advancement. There is no promotion schedule for food service employees, as advancement is based wholly on the food service director's evaluation and consent. The research team repeatedly asked whether the Company had a wage ceiling, but the Director avoided a candid reply. He claimed only that "We reward for effort". However, it must be noted that the wages paid to the Company's employees seems to be somewhat higher than those offered by many other food service facilities. The reason for this is that food service personnel are paid on the same scale as retail sales workers.

V Fringe Benefits:

The Personnel Director reported that employees of his Company receive paid holidays, paid vacations, free meals on duty, and ten percent discounts on retail merchandise they purchased. The Company does not offer its employees health or hospitalization insurance free of charge. They receive only the normal discount rate for subscribing to a group plan. Although the Company offers a pension plan, the Director did not elaborate on it. He did not give the researchers any information on the Company's stock purchase plan, which is available to employees after two continuous years of service. The Company does not offer its employees a profit-sharing program, but does award Christmas bonuses.

Employees with long service records are recognized through the award of Company stock. The shorter periods of employment are awarded at the local level,



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a program with which the corporate Director was not familiar. All employees receive a copy of the bi-monthly newspaper, including those former employees serving in the Armed Forces. The Director indicated that he thought this practice would encourage the servicemen to return to the Company after discharge.

Since the research team was refused entrance to the food units, all information had to be obtained from the Personnel Director. The researchers saw little evidence of the hiring of young people for food service jobs, but rather the Company appears to rely on older persons.



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Company No. 5

General Background

The Company is primarily engaged in fast food service and is a wholly-owned subsidiary of another large organization which serves the food needs of the public in both the retail and agricultural domains. The firm currently operates over 500 units. Of this number, 15 percent are company-owned, the remaining being franchised operations. The Company employs over 1500 persons in the company-owned establishments. The firm operates its own commissaries, having eight such operations scattered throughout the country, and has its own restaurant equipment plant. At the present time, the corporate trend is to buy back many of the locations previously offered to franchisees.

The Company is also about to engage in the establishment of a new type of fast food operation. They have one pilot unit operating and hope to expand this type of facility in the near future. Their research and development department is also working on a second fast food concept. The Company hopes that it will be able to capture a large market in both of these fast food areas. They plan to have over 2,000 units by the end of the 70's.

The research team spoke with the Director of Personnel as well as current and former employees.

Sixteen <u>current</u> employees of the Corporation were interviewed of whom five were male, and ll were female. Ages ranged from 16 to 35 years, 12 of the 16 interviewees being under 25 years of age. Thirteen current employees were white, two were black, and one was a Cuban immigrant. The educational level ranged from the eighth grade to enrollment as a senior in college. Four of the 16 persons were not presently attending school. The respondents had worked for the Company from a period of one week to four years.

Eight <u>former</u> employees of the Company were also contacted by telephone while the research team was visiting the organization's headquarters. Five of the eight former employees were male, three were female; two were black, and six were white. The ages ranged from 17 to 22 years. Two individuals were presently attending high school, three persons had finished high school but did not enter college, and one person was about to begin college as a freshman.

The Company has only two job titles at the non-management level. These job titles are either an operating or closing porter, or a food handler. The porter, depending on what his duty hours are, will either open or close the



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facility. He generally attends to many of the cleaning procedures at either the beginning or the end of the operation. Food handler, the other major job classification, is one in which the employee works preparing and serving food to the customers. This would include such jobs as order-taker, cashier, broiler man, steamer man, sandwich man, fry man, drink man, dining room attendant, and relief man. There is not always one individual to fill each of these positions. For example, many of the units will operate with only eight persons in these positions at a given time, with one person attending to more than one function, depending on the level of business. In some of the larger units, it is not uncommon to have 22 persons working in the area at a given time.

The Company has a policy of rotating their trainees through each of the positions within a maximum period of 45 days. This allows the unit manager the greatest degree of flexibility through the easy interchange of personnel in different positions.

I Manpower Identification:

The Director of Personnel for the Company indicated that his organization is experiencing turnover difficulties. The turnover rate for the Company's last fiscal year was approximately 283 percent. He stated that, although the Company has difficulty in obtaining both opening and closing porters as well as food handlers, there is considerable difficulty in retaining closing porters, as in their case, the hours are probably the most undesirable of any scheduled work shift existing in the Company.

The Company relies on part-time help, employing a large number of students from local high schools, community colleges and universities. Most of these persons do not consider their job with the Company as full-time work and merely keep the job until they reach some financial objective which they have set for themselves. As a result, the turnover figure of 283 percent is inflated, as the Company expects a high turnover rate due to selection policies.

In order to obtain labor for their non-management positions, the Director relies heavily on public employment agencies and schools. The Company informs high schools, community colleges, and universities that part-time employment exists with the Company. Other employees are also helpful as one individual will apprise his friends or acquaintances that vacancies exist in the organization. Advertising and newspapers have been used to some extent. The Company



is not unionized. To a somewhat lesser degree, the Company works with church groups and local clubs and acquaints them with the fact that part-time positions are offered, and that the Company would be interested in speaking to any member of the group who might be interested in a job.

Although the Company does not require any formal educational level of employees in non-management food service positions, applicants are required to complete an application form and a personal interview is standard Company policy. The Company does not require any personal references, but is interested in the employment history of the job applicant. The interviewer is usually the store manager or the store manager's assistant at the location where the applicant is applying.

The Company does not require a physical examination as a condition of employment except as required by law. Annual physical examinations, other than those required by law for the issuance of a health certificate are not required.

The Director indicated that a prison record of a job applicant would not be a bar to employment in non-management food service positions, although the Company would be concerned about it. He further indicated that whether or not the person would be hired would depend upon the severity and type of crime committed. All employees of the Company are bonded. A prison record would be a bar to employment if the person could not be bonded.

The Director indicated that the Company is willing to hire hard-core unemployed. He indicated, however, that they have had difficulty with some of the agencies with whom they have been working. As an example, he told of a representative of the local Chamber of Commerce who had called him asking if any employment opportunities were available for some of the disadvantaged youth in the area. When the Director indicated that there were and explained what the wage rate and benefits were, the Chamber of Commerce representative turned him down indicating the wage level was too low to be acceptable.

Of the 16 current employees interviewed, seven indicated that they had held some previous position in the food service industry before employment with the Company. These prior positions included waitressing, countergirl, bakery salesgirl, and busboy. The remaining nine current employees indicated that they had gained experience in some field other than the food service industry or that their employment with the Company was their first exposure to work. Positions from which these nine individuals came to the Company included an airline ticket salesman, domestic servant, and manager of a laundromat



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When asked how they became aware that positions were available, nine of the respondents reported that it was through friends, and five individuals either saw a help wanted sign posted in the window or walked in seeking employment. One person responded to a newspaper advertisement, and one person received information about the job through a school placement office.

Of the eight <u>former</u> employees contacted only one individual had prior experience in the food service industry, this young lady having worked at the counter of a cafeteria. The remaining seven individuals indicated either that they possessed no previous work experience or held other positions such as nurse's aid, file clerk and receptionist, and gas station attendant. None of the eight individuals had received any formal food service training prior to the time they became employed by the Company.

Five of the former employees interviewed indicated they had heard of the job from a friend or personal contact with persons who were already working for the organization. Two individuals were actively seeking employment when they walked into a unit, and one former employee had been apprised of a vacancy with the Company through a job placement office.

All eight of the respondents indicated that they were required to complete a formal application form prior to the time they assumed employment. Seven of the eight individuals were given a personal interview; in each case the interview was given by the manager. None of the eight was required to take a personnel test of any sort.

II Job Environment:

Most of the Company's growth and development has occurred in the past few years. All recent operations appear to be modern, clean and well lighted. The Director of Personnel indicated that the Company has completely air-conditioned all of the units built within the past few years and is now air-conditioning all of the older units within the Company.

Of the 16 <u>current</u> employees, many of the older workers felt that wages were unsatisfactory for the type of work they were doing. One such individual indicated that he had to work at a part-time job elsewhere in order to make a reasonable living. On the other hand, many of the younger employees especially the high school age students, felt that the wages were entirely satisfactory for the type of work they were doing.

Many of the current employees indicated that the long hours they had to



spend on their feet as well as the pressure placed on them during the rush hour periods were the most unsatisfactory aspects of their jobs. Several indicated that the heat in the kitchen was unbearable at times. However, it should be noted that these persons were working in several of the older Company operations that had not yet been air-conditioned.

It is interesting to note that many of the employees interviewed indicated that the instability of management was their biggest problem. Apparently, there had been a rapid turnover in managers in several of the units. The employees complained that this resulted in a great deal of confusion on their part, as each manager had his own method and system of carrying on the required work of the operation. One of the employees indicated that the unit where he worked had six managers during the year that he had been there.

Many of the <u>former</u> employees indicated that the lack of air-conditioning and long hours on their feet had caused them to leave the Company. Former employees also indicated that the instability of management was a severe handicap to them.

Several former employees stated that, although they were expecting to work a regular shift, on many occasions the night shift employees would not show up for work and the manager asked them to remain at work for an extra three to five hours. They felt that they could not refuse the manager's request and, as a result, they would work the additional hours. However, it had become very dissatisfying as it occurred time and time again. Therefore, they decided to find employment elsewhere.

One of the former employees of the Company indicated that she had left the Company because of the filthy working conditions. She indicated that she couldn't eat the food and elaborated by saying, "They cleaned the Coke machine once and found roaches in the bottom". Another employee, a 17 year old high school girl, indicated she left the Company because, "The employees had pretty foul mouths and language. I do not like working with those types of people".

III Orientation:

When asked if the job applicant is informed of wage schedules and other information concerning his position, the Director responded that the store managers, who were the primary agents interviewing new employees, were doing a good job in this regard. He felt their success was due to the development of a first-day check list which the store manager uses when speaking to a job



applicant. Included in the checklist are such items of information as how to complete the employment application, the W-4 payroll form and insurance forms, a bonding application, health card, working permit, and a description of the job for which the person was applying. The manager is then expected to relate the history of the Company, the basic philosophy of operations, and talk about some of the affiliated companies of the parent organization. He then explains the organizational structure of the unit pointing out that there is a district supervisor, district manager, unit manager, assistant manager, relief manager and other food handlers. The interviewer explains that there is a 30-day trial period for the new employee. The new employee is told how much he is to be paid and what his work schedule will be. The manager will then apprise the applicant that he will receive his meals while on duty, show him around the premises introducing him to his fellow employees, and showing him safety devices such as the location of the first aid kit, fire extinguishers, and rest rooms. The interviewer does not, at the present time, apprise the employee of any promotion possibility that might be available. The Director indicated that the Company was interested in elevating some of the better employees to management positions, but at the time of application or at the time of early employment with the Company, the premotion possibilities would not be thoroughly explained to new employees as a matter of policy.

When asked if the new employees were informed of fringe benefits offered by the Company, the Director stated that it depends on the unit managers. The fringe benefits offered are not in written form, although the Personnel Office is working on a book that will be available in the near future. This booklet will be available to the employee to take home and would act as reinforcement of a film strip the Company is developing. The Company has no employee handbook, nor is there any plan to develop one.

The orientation program is part of the employee interview and is relatively brief in scope as well as in time. The Company is presently developing a film strip, however, and soon will have 14 such strips. It is their desire that each of their Company-owned properties have a copy of each of the 14 film strips, along with a viewer and recorder. One of the film strips is on orientation and is designed to welcome the new applicant to the Company and inform him of some aspects of the history and operations of the Company. The second film strip discusses the fringe benefits available to employees, and the remaining 12 are visual job descriptions. The film strip tapes will be supplemented by self-instruction material pertaining to the food service positions



and by literature concerning the fringe benefits available.

All eight of the <u>former</u> employees contacted indicated that they received full information as to what the job entailed prior to the time they actually began work. Seven of the eight individuals reported that they had been introduced to the other employees in the operation by one of the supervisors. At the same time, they had been shown all the facilities including the dining room, storage areas, the locker rooms, and kitchen area.

All eight of the former employees indicated that they had been advised as to whom and when they should report for work. However, only four of them indicated that they had been told of the employee benefits available to them.

Seven of the eight individuals indicated that they were told the wage schedule for the position they held at the time they assumed employment.

IV Training:

The Director of Personnel indicated that food handlers are expected to know all of the food preparation positions that exist in any given unit. For this reason, cross-training is extensive, and the Company has designed a training program to acquaint a new employee with all positions in the unit in a minimum amount of time. A food handler is expected to know all 12 positions within 45 days after he has assumed employment. To assist him in this endeavor, the Company gives him a comprehensive examination on the 12 positions in a unit after on-the-job experience in each position, and after an opportunity to read the job descriptions.

It is the store manager's responsibility to see that this training is accomplished. Progress reports are submitted on each employee, the first report being due after the 30-day trial period. The Director felt that this progress report is considered to be a "paper hurdle" by store managers, and he foresaw eliminating the 30-day progress report in the future.

As mentioned, the Company is developing fourteen film strips for training new employees. Twelve of the film strips will cover the non-management food service positions in each unit. The film strips are to be accompanied with a self-instruction booklet as well as a study lesson which may be taken home by the employees. The Company is requiring the film strips and projectors in all Company-owned properties and will include them as part of the franchise agreement in future operations. The Company estimates that the film strips-tapes supplemented by self-instruction literature will cost the Company approximately \$100 per employee.



The Company has no training director as such, although the responsibility for training falls under the Office of Director of Manpower Development. Heretofore, the focus of this office has been primarily directed toward management personnel. The Company is beginning to pay more attention to non-management personnel in the areas of selection, orientation and training.

The Company has developed a system whereby an employee who finishes training has his name placed in a lottery whereby he will be eligible to receive an article of merchandise, such as a portable color TV set if he wins. The Director indicated that he hopes this will be a motivating mechanism for new employees to complete training. On the other hand, he indicated that the Company is also concerned with the motivation of the store manager, so that he will take a serious interest in developing a training program at his unit. Consequently, the Company has developed a system whereby the supervisor's name will also be placed in the lottery system for each trainee under his authority who he is able to put through the program.

When asked what the least desirable aspects of the training program were, the Director of Personnel indicated that he was anxious about getting the "hardware" to the different Company-owned locations - that is, the film and tape cartridges. He also foresaw some difficulties with control of the system, in that he wants to be sure the store supervisors were paying adequate attention to the training program and not just allowing the film strips to run for entertainment value. He stated it is necessary for the managers to have a commitment to training, and is intent on impressing them with the fact that they must take a sincere interest in the program.

The majority of the 16 current employees interviewed indicated that they received some sort of training, mentioning the manual which describes the job positions. The respondents indicated that the length of training had varied as different employees would take the required test at different periods of time, depending on how quickly they rotated through each position.

It is interesting to note that when asked, "What position do you presently hold?", the majority of the current employees were unable to give a definite answer, responding, "Well, I'm just an employee like everyone else", or, "I do a little bit of everything". Where the Company considered the employees to have the title of "food handler", the current employees did not realize that they had any definite job title.

Each of the current employees was asked what his opinion was of the training program offered by the Company. Many of the employees merely described the



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program, or their experiences when they first joined the Company. Several offered some thoughtful statements in this regard. Some mentioned that the manager had been available to help train them and they had enjoyed this aspect of the program. They went on to state, however, that when the manager was not available to help them, they were at a loss as to what was expected of them. Most of the persons interviewed felt the training program had been successful as the trainers were cooperative and understanding. They stated that the instructions they received were clear, and the work that they were being trained to do was directly applicable to the work which they would be doing. Many indicated that they enjoyed learning all the positions within the unit and in this way they were not bored by doing the same job day in and day out. However, several indicated that the training program could be improved by having the trainee work for a longer period of time in each of the 12 positions. A 27 year old female food handler indicated that the only bad part of the training program was the frustration that goes along with not working fast enough during the rush periods.

When asked if they had been employed in the work for which they had been trained, all eight of the <u>former</u> employees responded in the affirmative. When asked if they felt their training was adequate for them to hold the positions that they had held, all responded, with one exception, that the training had been adequate.

All eight former employees indicated the training they had received had been beneficial to them. However, more training would be required if they were to assume positions of greater responsibility. Several of the former employees complained that they did not feel they had had enough time on any one job to really feel competent about performing that job before being moved to one of the other 12 positions.

V <u>Career Progression</u>:

The Director of Personnel indicated that there is no time-based promotion schedule for non-management employees. There is a sequence, however, through which an employee can develop. The most capable food handler carries the title of "lead man", and is in charge of the food service facility in the absence of the manager. It is possible for a lead man to be promoted to assistant manager, then to store manager. This has occurred in the past.

The Company is now developing a three-man managerial team. The top management employee of the food service facility will carry the title of "store supervisor". Following the store supervisor is the store

manager", and under this concept, the store manager will be working the closing shift and be responsible for closing the facility at night. The third member of the management team will be an "assistant manager" who will work as assistant to the store supervisor during the day.

A wage increase is offered to a new employee as soon as he successfully passes the test on the 12 food service positions. Greater remuneration is, of course, offered at higher levels of responsibility, but it is also possible for a food handler who has held that job for a number of years to receive seniority increases. The promotion schedule, for the most part, exists independently of the wage schedule.

When asked if they felt the Company had a genuine interest in their future, five of the 16 current employees indicated outright that they did not feel the Company had an interest in them. The reasons they offered were primarily that they considered themselves as part-time employees.

All of the 16 persons interviewed felt that they were expected to do more than one job in the operation. Therefore, they felt that the only promotion they could receive was to assistant manager or manager. They did not consider their lateral movement as a promotion. Several were aware of the fact that they could be schooled for a position as assistant manager or manager if interested, and if they showed potential.

Asked if there was a definite promotion schedule within the Company in a particular job area, all 16 current employees interviewed responded either that they did not know of any or that there was no promotion schedule. Several of the employees thought that they could get ahead within the Company by working hard.

It should be noted that of the 16 current employees interviewed, those that did feel the Company had a personal interest in their future development and growth, related this interest to their particular store manager or immediate supervisor rather than the Company as an organization.

Only one of the eight <u>former</u> employees contacted was aware of the promotion schedule or the possibility that a future managerial position within the Company might have been open to him.

VI Fringe Benefits:

The Director of Personnel indicated that the Company offers a group insurance program to their employees although there is a six month waiting



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period to be eligible. The Company pays the employees' share, but the employee has to contribute if he wants his family covered. The Company authorizes three holidays, although in some locations the number of authorized holidays may be more than three depending on the ethnic background of both the patrons and the staff in the area. Paid vacations are authorized on an incremental basis. An employee who has one year of full-time continual service will receive two weeks paid vacation. This rule will continue until an employee has eight years full-time continuous service at which time he receives three weeks paid vacation. A full-time employee is considered to be an employee who works 30 or more hours a week.

Meals are offered free of charge while employees are working. Meals are not authorized for employees if they are off duty, a policy recently initiated. The Company had a policy of authorizing a 50 percent discount on meals taken off duty by persons who worked with the organization. The Company found this increasingly difficult to control, as employees who were off duty would come in, purchase a large amount of food at discount and carry the food to friends waiting outside. Due to the difficulty in controlling this function, it was eliminated.

The Company recently eliminated a profit-sharing program that it had in effect for several years. Persons who had participated in that program received a cash settlement. The program was dropped in favor of a new pension plan that is Company sponsored. The eligibility requirement will be one year of full-time employment and it will be non-contributory in nature.

The Company has an employee-owned and operated credit union, which is used by a large number of the employees. The Director indicated that there is no policy on sick leave.

The Company has never paid transportation expenses or provided transportation to and from work for non-management employees. They provide shirts, aprons, hats, and bow ties for their employees. Male employees are expected to wear dark trousers and fer = employees are expected to wear white uniforms, which the employee purchases. The Company provides locker rooms and facilities for changing clothes.

When asked what benefits the Company offered, six of the 16 current employees indicated that they were aware of two or more benefits offered by the Company. The remaining persons mentioned only one benefit, or indicated they were not aware of any fringe benefits. The benefits mentioned by the employees included the insurance plan, the credit union, paid vacations, and meals while on duty.

None of the eight <u>former</u> employees contacted were aware of more than two benefits offered to them while they had been employed by the Company.

One former employee said that her boss had a bonus plan for them which she certainly considered to be a fringe benefit. She said that a good day, from the manager's viewpoint, occurred if the unit took in \$600 or more during any given shift. She stated that everyone who worked that shift was paid for two additional hours and she felt this was the supervisor's way of thanking the employees. She went on to add that this was certainly a nice way to make up for all the extra work and sweat that employees had to put up with during such a busy period.

VII Company Development:

The Director indicated that the Company's future appeared bright. There is an anticipated growth rate of almost 400 percent for the Company within the next few years. He added that the training program of the corporation had been designed to meet future training needs. The Company expects it will have to do something to keep up with the demands of the labor market, and must adapt to labor market needs.

Of the 16 current employees interviewed, nine individuals said that they were not interested in a career in the food service industry. Two persons were not yet sure of what they wanted to do, and five were interested in continuing in the food service field. Two of the five individuals who were interested in making a career in the food service industry were age 27 or older. Many of the current employees felt that it was hard work, and long hours, and that once they had received their education they could get a better job than any that they could obtain in the food service industry.

Several felt that the image of the food service industry could be raised if the industry would improve working conditions, attempt to attract more educated people by offering adequate wages, air-conditioned kitchens, better pay scales and promotional opportunities, and informing prospective employees of the career opportunities that were available within the industry.

The eight <u>former</u> employees interviewed felt that their present job had more prestige, better salary, better working conditions and hours, or more hope for the future than their position with the Company. Several former employees indicated that management should become more aware of employees needs, wants, and desires if the food service industry is to attract and retain employees.

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The Company is sincerely interested in developing a training program for non-management employees. This is evidenced by such acts as a commitment to the film strip tape program, which is to be supplemented by self-instruction booklets. They are placing heavy reliance on the use of visual aids and these materials will be made available to each of the Company-owned units. They will also be made available to the franchise units on either a purchase price basis or as part of the franchise royalty. The Company is also interested in upgrading their own employees. This concern was manifested as the Company commissioned a consulting firm to undertake a study of related industries for wages and benefits. As a result, the Company voluntarily added fringe benefits and higher wages upon finding that they were deficient as compared to the other industries.

It appears that due to the type of operation characteristic of the Company, it will continue to rely to a great extent on part-time personnel. Since they do rely heavily on this labor segment, it appears that there are ample opportunities with which to acquaint younger persons of careers offered by the industry. As one interviewee stated, "I was interested in food service as a career, I didn't know how to go about telling them that". In a discussion with the district director for a southern region, the director indicated that this was a good point, for he assumed that an interested person would automatically inform his supervisor of his enthusiasm.

It was also noted that the employees were completely unaware of any job title they had had. When asked what their position was, most of the remarks contained some ambiguity, such as, "I'm just an employee", "I just do everything", or "We all do the same thing". Even though the flexibility inherent in a rotational training sequence is desirable, there can be distinct advantages to having definite job titles assigned.

It was also noted that many of the employees did not feel comfortable in a position where the management of the unit was unstable. One of the former employees said that there had been six managers in his unit in the year he had been working for the Company. He realized that it was a pressure position, and that a great deal was expected of the manager, but perhaps the manager was placed in a position without proper training. He continued by saying that this instability was another reason why he would not consider the food service industry for himself, as he saw the instability of management. In several cases, the remarks of the employees indicated that it was

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the personal relationship that existed between an employee and a manager that was a factor in either creating or reducing turnover for the individual unit.

A number of employees remarked that they enjoyed the variety that rotating positions offered them. On the other hand, when asked about the training programs to which they were exposed, many said that the training program was good in some respects and poor in others. It was somewhat rushed and often a trainee did not get to know one position well before he was required to move to the next position. A number of employees remarked that they appreciated how clean and sanitary the facilities were.

The Company appears to be in an excellent position to resolve this superior training program for their non-management employees with the advent of the film strip tape cartridges in conjunction with the planned expansion program for this decade. Not only do they have the opportunity to be of service to the employees that they hire on a part-time basis, but also, and perhaps more importantly, to those employees they will hire with career potential and interest.

Company No. 6

General Background

The Company is headquartered in a large city and is one of the largest hotel chains in the country. The Company presently operates several hotels, and an additional number of franchised hotels carry the Company name. In the parent-owned properties there are approximately 175 restaurants, and food and beverages represent a considerable proportion of the total sales volume of the Company. The Company employs about 30,000 non-management persons of which approximately half work in the food and beverage area. According to a recent report forwarded to the Office of Economic Opportunity over 1/3 of the food and beverage employees were non-white. The Vice President for Personnel at the corporate level was interviewed as he is the individual who is charged with training responsibilities for the entire organization. In addition, the Personnel Director for the Midwest division of the firm was interviewed. The Director of this division had approximately 11 hotels under his jurisdiction.

Twenty-one <u>current</u> employees of the Company were interviewed, of whom 12 were male, and nine were female. Eight employees were white, five were black, and eight were of Spanish descent. Two persons interviewed did not speak English and the interview with them was conducted in Spanish. The ages of the current employees ranged from 18 to 64 years with five persons under the age of 25. The positions held included busboy, potwasher, cook, waitress, glass washer, assistant steward, and bartender. Nine of the current employees reported that they had completed high school. The length of time employed ranged from three weeks to 42 years, and 17 of the employees had worked for the Company for a period of one year or longer.

Eight <u>former</u> employees of the Company were contacted by telephone. Of this number, four were male and four were female, seven were black and one was white, and ages ranged from 17 through 44 years. Three of the former employees contacted were under the age of 25. Two reported that they had completed high school, two reported that they were presently attending courses that would provide them with an educational certificate at the high school level, and the remaining four received less formal education. The positions held by the former employees included a waitress, room chc?, potwasher, busboy, pantry girl and cocktail waitress.

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I Manpower Identification:

The Vice President for Personnel at the corporate level indicated that the Company is experiencing difficulty in obtaining and retaining non-management food service personnel. These difficulties are most pronounced in the positions of dishwasher, cook, waiter and waitress. The Vice President estimated that the overall Company turnover rate for non-management food service positions might reach a maximum of 60 percent per year. He qualified his response by stating that some areas of the country where the firm operated had an accelerated turnover rate relative to other areas. He went on to state, "If they stay over 90 days you have a pretty good employee". At a later time the Director of Personnel for the Midwest division of the Company was asked what the turnover rate was in his division. He estimated that turnover for non-management food service positions reached a level of 120 percent per year, and indicated that he felt that this figure was representative for the Company as a whole. The Vice President for Personnel stated that he felt that turnover exists in food service as many employees feel that their jobs are only temporary positions, and do not intend to make a career in the industry. He also indicated that wages are a problem, and that for his organization language problems in back-of-the-house positions exist. He indicated that many of the persons working in the positions where the greatest turnover occurs are Spanish-speaking, which hampers communication and frequently leads to misunderstandings which result in voluntary termination of employment.

The Company requires no formal educational level of employees serving in non-management positions. A prison record acts as a bar to employment if the crime of the applicant is considered to be a felony, but does not make much difference if the violation was a misdemeanor. Not all employees of the firm are bonded, only those who handle funds or merchandise. The primary sources for obtaining labor for non-management positions are private and public employment agencies, advertising, and in northern cities, the unions are utilized to a large extent. The firm also works with civic organizations and church groups in the cities where they are located.

The Company requires the completion of a formal job application but does not use any personnel tests. All applicants are personally interviewed by their immediate supervisor after screening by members of the personnel department. The Company requires personal references from all job applicants. They do not require a physical examination as a condition of employment except



to comply with local ordinances.

Eight of the 21 current employees interviewed reported that they had experience in the food service industry prior to coming to work for the Company. Six persons reported that their position with the Company was the first job they had taken, and seven individuals replied that they had found employment with the Company after working in unrelated fields. One such individual reported that he had worked in a steel mill in Mexico but came to work in America to make a better life for himself. A waitress reported that she had been a trimmer for an automotive manufacturer in Detroit. Other employees had held such positions as salesgirl, bus driver, grocery store worker, and secretary.

When asked why they left their previous jobs, persons who had entered the food service industry from other fields offered a variety of explanations. The former salesgirl stated that she left her job as she intended to go back to school and she first took part-time employment in a restuarant to help support herself. She found that she enjoyed the work and had assumed a full-time position with the firm. A 24 year old waitress who had been a secretary reported that she did not like the confinement of an office job but enjoyed meeting people which her position as a waitress allowed her to do. A Spanish-speaking steward indicated that he left his former job as a bus driver in Puerto Rico due to the low pay. When he came to America, and to the particular city where he settled, a job with the firm was all he could get due to the fact that he did not speak English.

Thirteen of the 21 current employees reported that they first learned of a job vacancy through friends or relatives. Two individuals had walked into the organization, four replied to advertisements, one stated that she found employment through a welfare agency, and a cook obtained his job through the local union. A number of the current employees reported that they accepted employment with the Company as they knew the Company name, and felt that it had a good reputation. Three of the 21 persons interviewed stated that they held a part-time job in addition to their position with the Company. A waiter worked in another establishment in the same capacity two nights a week, a waitress-cashier stated that she worked for a catering firm on a part-time basis, and a cocktail waitress stated that she worked on an "on call" basis with the nearby hospital as an operating room technician.

Four of the eight <u>former</u> employees reported that they had held a position with the Company for a period of more than one year. One cook had worked for



the firm for ten years. Four of the former employees had found employment with the Company through friends, two replied to newspaper advertisements, and two had been sent to the Company by the union. All eight former employees stated that they were required to fill out an application form although three individuals reported that they had received no personal interview from anyone in the organization other than being introduced to their supervisor and immediately being placed on the job. Six of the former employees stated that they were given full information as to what their job entailed. Three former employees reported that no one introduced them to their co-workers nor showed them the general area other than their work station.

II Job Environment:

A large number of the <u>current</u> employees felt that the Company was not a particularly good company for which to work. A waitress felt that the Company was disorganized and that there were too many changes in management. She stated, "The place never gets settled". A cook who had been with the firm for 22 years stated, "It used to be (a good company). Everything is changing so much. They push alot of guys around. The managers are bad." A Spanish-speaking dishwasher reported that he thought the Company was a good one as, "I don't have any education". Several of the individuals interviewed indicated that the Company did not offer any benefits, and whatever they received was the result of what the union had done for them. A 63 year old employee stated, "To tell you the truth, I don't know of any benefits. I never heard about any".

All eight <u>former</u> employees reported that the Company provided uniforms and tools for them, and that they were advised as to whom and where they should report if they had questions. Two former employees reported they never heard of any benefits available to them from anyone, and six persons reported that they were aware of benefits although they realized the union had won them.

III Orientation:

The Vice President stated that it is Company policy that all applicants are apprised of wage schedules and increments upon assuming employment. He went on to state, "But whether it's being absorbed or not is another thing.



I wonder if they really care". He stated that the effectiveness of any orientation program depends upon the personality of the manager and the effectiveness of the communication or rapport that is developed between the applicant and his supervisor. As part of the normal orientation program, job applicants are apprised of promotion schedules, "if they are qualified". They are told of union affiliation if any, and are taken to the work area and introduced to their co-workers. The Vice President stated, "We have found that if they get off to a good start they'll stay for a while. Job descriptions are available for non-management positions but they are not sufficient. I am sure everybody doesn't get one". Applicants are informed of fringe benefits as a matter of policy except where a union is in operation, in which case very little is done in this regard, as the Company considers it a union responsibility to enlighten their membership on these The Vice President indicated that each hotel has its own employee handbook and that there was no organization-wide literature of this type. In a later interview with the Personnel Director for a division of the firm, he stated that the hotels under his jurisdiction did not have an employee handbook but that hopefully something would be done in this area soon. The Company does not provide transportation to or from work for any nonmanagement employees.

Four of the <u>former</u> employees stated that they were not told of any wage schedule although they were told what they would be making in the position for which they assumed employment. Only one of the eight former employees stated that he was given any information regarding a promotion. He had held a position as a potwasher and was told of the possibility of becoming a bellman or a cook. Five of the eight former employees stated that they undertook employment with the Company with the intention of staying for a considerable length of time. Two persons stated that they took employment until something better came along and a waitress reported that she just took the job on a part-time basis because she was curious to "see how good it was".

IV Training:

The Company does very little in formal training, although a program has been developed for waitresses. The Vice President for Personnel described



a program which he had established at one time. He hired a female training director for food service personnel such as counter girls and waitresses. She informally had the nickname of "Miss Courtesy", and the training included more than just food service techniques. Such matters as make-up application and techniques and speech articulation were also covered. He indicated that at one time it was policy for new employees to be shown pictures of the department head in the department where they would be working and to listen to a tape recording by the department head welcoming the applicant as an employee. The director who had the title of "Miss Courtesy" had left the organization and the Vice President of Personnel was not able to find anyone to replace her.

The Company had recently hired a young lady to develop a formal training program for waitresses in one hotel. She was in the process of writing a manual that would be published and sent to each hotel in the organization. The manual primarily would cover food service techniques.

The Company also has a cook apprenticeship program in a major hotel although the Vice President reported that the location of this program would shift to another hotel soon, as the union was making demands that the program be expanded, and the organization was unwilling to meet union demands. The training program for cooks lasts approximately two years and five to six trainees are in the program at any given time. The majority of the trainees in the cook's apprenticeship program are European born. Progress reports are submitted on cook trainees but no reports are currently being submitted on waitress trainees. A notation is made on the personnel record of a waitress trainee, however, when she completes the training program.

At the time of observation the training program for waitresses had been in effect only four months. At that time only ten waitresses had completed the program at the Company's headquarters, but eight of the "graduates" left the hotel shortly after completing training. A 26 year old waitress, one of the two who had remained with the hotel after completing training, reported why she felt most of the girls had left: "Few of them had any experience in food service. Too much time was spent in class. That's why a lot of the girls quit. They were sensitive when told their mistakes, and some of the regular waitresses were hard to get along with". She went on to relate that there appeared to be a little suspicion on the part of the regular waitresses about the training program and she felt that the regular waitresses made it difficult



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for the trainee graduates when they assumed a position on the floor.

The Company has also established a program where they teach employees English. There is no technical or job related training coupled with this educational approach. An English teacher is brought into the hotel to instruct and the program is conducted on a shared time basis. An employee could take one hour of his working time to attend classes if he spent one hour of his free time in class as well. One former employee reported that he was aware that such classes were being conducted but they were given at the time of day when many of the persons who needed instruction could not leave their jobs. In addition, the Company has made arrangements for instruction in African History which has been attended sporadically by some of the black employees.

V Career Progression:

There is no definite promotion schedule for non-management employees, and the wage structure is more or less independent of the promotion system. In unionized operations, the union primarily determines the wage rates, and in non-unionized operations, wage increases are given on a merit basis. Most of the current employees reported that they were not aware of any promotion schedule, and several felt that their job was a dead-end job for them. Whatever promotion might be available to them would depend on luck or happenstance.

A 25 year old cook who had been with the Company for 18 months felt that the lack of a definite promotion schedule was a distinct disadvantage to Working for the Company. He stated, "It's hard getting a raise or a promotion. That sort of bothers a guy who has ambition". Most of the current employees felt that the Company had little interest in them as people. A waitress was asked if she felt the Company had an interest in her, and she replied, "No, I don't think so, maybe I'm wrong, but in a big corporation like this, I don't think they worry about individuals". A kitchen steward felt the Company had no interest in him as, "I ain't got no education". A 57 year old female employee stated, "I don't think they know you are even here". Current employees who had been with the Company for a considerable period of time indicated that they would probably stay in the food service industry and would like to continue working for the Company. Of the persons under 25, only one individual indicated that he wanted to continue working in the industry. A waitress who worked part-time as an operating room technician stated, "No, I feel degraded. I have much more mental potential".



The <u>former</u> employees responded that they felt, generally speaking, that the Company was "all right" to work for, but six of the eight had no regrets about leaving. Seven of the eight individuals had found employment elsewhere, four of whom were working in industries other than food service.

VI Fringe Benefits:

The Company offers employees hospitalization and health insurance benefits as well as paid holidays. Employees who are assigned or scheduled to work on holidays are given additional compensation for that day at either time and a half, or double time depending on prevailing conditions in the area. Paid vacations are offered on an incremental basis and employees receive meals while on duty. The Company has a pension plan but few employees receive any benefit from it. There is no profit-sharing plan or bonus system. The Company will offer educational assistance to individuals in certain instances, but the Vice President stated that educational benefits as a recruiting device didn't mean much to most of the employees as, "They couldn't care less". The Company did offer a severence pay system for employees who had been with the Company for a number of years. In this system an employee who was terminating employment would receive \$50 per year for each year he had worked up to a maximum of \$1,000. This severence pay system was offered at the discretion of the manager at the particular hotel where the individual worked, and did not come from a corporate fund.

Service pins are awarded at five year intervals. The organization publishes a Company newspaper four times a year although it is more financially and business oriented than employee oriented. Many hotels, however, publish their own newsletter which is more oriented to the employees in that location.

The great majority of <u>current</u> employees felt that the wages they were making were considerably lower than they could be making were they to hold a position in another industry. Waitresses reported that it was not unusual for the hotel to close the restaurant where they were working in slow periods and that the closing meant that they would not be paid for the period of the shutdown.

One <u>former</u> employee reported that she had received a 15¢ raise in wages after being with the Company for a year and a half. The former chef stated that he was dissatisfied in that a skilled person made only the same money as an unskilled person. A former waitress stated dissatisfaction with the



Company by referring to the room managers or the individuals who had the responsibility of the various specialty restaurants in the hotel. She stated, "The room managers are underpaid so they become little Hitlers. Most of them are young and just starting out and the girls and bartenders know more than they do so they have to act tough". This former waitress went on to state that she was hired with the understanding that she would not have to work on weekends. The room manager kept scheduling her for weekend appearances and when they reached an impasse she quit.

VII Company Development:

The Vice President for Personnel felt that formal training in his Company would have to be developed in the future. One of the difficulties was that the trainer in many instances was insensitive and approached his task in a mechanical fashion as the turnover was so great that trainers felt frustrated in training persons who were not going to be with the Company for a long period of time. He stated, "What we really need are trainers and uniformity in standards". The Vice President felt that, in union properties, the employees' loyalty was not to the Company but rather to the union. The Company did not have a Company-wide employee handbook although each individual hotel was supposed to have its own. This was not the case in at least one of three divisions of the Company. The Company was concerned with non-management employees to some extent. They were offering courses in African History and English, and a formal waitress training program had been underway for four months although the number of waitresses enrolled in it was relatively small. Further, the turnover of the "graduates" of the waitress program was 80 percent after four months. It was noted that several of the busboys in the organization were outfitted with uniforms that were either too small or too large, giving them somewhat of a sloppy appearance. In addition, many of the uniforms had grease stains on them indicating that they had not been cleaned for some time.



Company No. 7

General Background

This Company is chiefly a cafeteria chain operation, but is also involved in industrial feeding. They employ over 800 non-management persons at 25 units, most of which are located in one state. Most of the cafeterias are located in suburban shopping areas where they operate several kitchen facilities under a single roof. In addition to the few industrial feeding units, the Company operates a few snack bars and engages in some catering. In spite of its growing diversity, the Company still looks on its suburban shopping center cafeterias as the main area for future expansion.

The Personnel Manager of the corporation was interviewed along with twenty current employees at three locations. Nineteen of the 20 food service workers were females, 14 persons were white, and six were black. Their ages ranged from 17 to 54 years while only five of the employees were under 25 years of age. Only nine of the employees reported having high school diplomas. The variety of positions interviewed included: cook, counter server, busgirl, vegetable preparation cook, porter, dishwasher, and potwasher. The period of employment ranged from six months to 13 years.

Six former employees were contacted by telephone, a number which included four whites and two blacks. Their ages ranged from 18 to 49 years with three persons under the age of 25. Only two of the six persons had graduated from high school. Two of the six former employees had worked in food service jobs before assuming employment with the Company.

I Manpower Identification:

The Personnel Director stated that the firm has been having difficulty in obtaining and retaining non-management food service workers. He estimated that the Company's turnover rate for these positions is approximately 120 percent per year, turnover being centered primarily on the jobs of dishwasher and cook. He stated that one reason problems exist in finding employees is the remote location of some of their units. He also admitted that working conditions, especially heavy work such as that required by a dishwasher, is a factor in some cases.



In order to work for the firm in food service, one need only have the ability to read and write English. Whether or not a prison record would bar an applicant from employment depends on the nature of the crime committed. The Company has had considerable good fortune in retaining mentally retarded persons in food service positions in locations where the unit manager is tolerant and understanding. Overall, classified advertising is the Company's best source of attracting employees. The Company also uses public employment agencies, and considers many applicants who merely walk in to the Company seeking employment. All prospective employees are personally interviewed by the unit manager, and are required to complete a formal job application. Unlike most other companies observed, this firm requires a personnel test for all job applicants. This exam is a self-scoring psychological discrimination test. Although personal references are required, they are not always checked. The Company has a requirement that all new employees have a physical examination as well as an annual checkup.

Six of the 20 current employees interviewed had worked in another food service job prior to their joining the Company. There was no set pattern as to the reasons why employees left their former jobs. Most learned of the opening with this Company through newspaper advertisements, but eight of these employees stated that they had walked into the main office actively seeking employment. A large number of the current employees stated that they took the job as it was the first one available to them. None of the current employees held a second job during their employment with the Company.

Before working for the Company, only one of the six former encloy a had ever received any food service training. Three former encloses had learned of the job availability through newspaper advertisements, two through friends, and one through application at the main office. All six reported that they were required to fill out an application form, and all had a personal interview. Confirming the Personnel Director's statement, all six employees were required to take the personnel test before they began work.

II Job Environment:

Sixteen of the 20 current employees felt that the Company was a good organization in which to work. Most persons stated that they enjoyed working for the Company due to their favorable relationship with the management,



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although a few employees candidly criticized the Company for paying low wages. In one unit, the employees were particularly disturbed by the poor scheduling of their hours. The employees were asked if they thought there were any disadvantages to them in working for the Company. Twelve of the 20 persons took this opportunity to name some of the more unpleasant aspects of their jobs, such as having to pay bus fares to ride a long way to work, and again complained of low wages.

Many of the <u>former</u> employees felt that the Company was a good organization due to the sensitivity of local managers or due to the high quality of food that the unit served.

III Orientation:

The Company has a formal orientation program for all non-management food service employees. The new employee is shown slides along with tape recordings which show the history of the Company, the benefits offered, and descriptions of the various jobs. This basic program is usually preceded by an interview with the unit manager, in which the applicant is apprised of wage schedules and promotion possibilities. The employee is then supplied with a handbook which he can review to reinforce what he has been told. There is a true-false test which the employee fills out upon application and submits to the main office. This test is not challenging, but is used by the Company to inform the employee what is expected of him. The Personnel Director stated that the Company finds these testing measures useful in that their greatest degree of turnover occurs in the first three weeks of employment. The Personnel Director felt that when an employee is aware of what the Company expects, there is likely to be less employee dissatisfaction, and consequently less turnover. The employee not only receives the employee handbook but is given literature on such things as personal hygiene and sanitation procedures.

All six <u>former</u> employees were informed of the description of their job when they undertook employment, but only four were introduced to their coworkers. All six persons were given uniforms and tools to perform their jobs, and all were advised to whom and when they should report for work.

IV Training:

The Personnel Director reported that he did not feel that the Company actually had a formal training program, but relied on on-the-job training.



For each job the Company provides a training manual which may be used by a new employee for home study. Within the first three weeks of one's employment, he is expected to have read his training manual, for after this time he is given an examination on the material, and the test is graded by the central personnel office. Although it is the unit manager's responsibility to train new employees, the instructor's job may be assigned to any one of a number of persons. While the employee is in the probationary period, progress reports are not submitted nor are wage increases offered.

After completing training, new employees are not required to change locations but they are kept informed of openings at other units where they may move if they so desire. Cross-training occurs within this Company, and is encouraged at each unit.

The Personnel Director, when asked about the cost of the Company's training, could only say it, "costs a lot of money". He stated that the Company has never developed a procedure for determining the cost of having eighty or more persons, on the average, in training at any one time. He felt that the training program was good in that training of food service personnel must be kept fundamental. He also felt it was a good program in that a new employee could see results as he worked thereby receiving immediate feedback. He stated that the main drawback is that it is difficult to communicate with the employee so far as his actual job description and duties. As a result, the job often will not meet the employee's expectations and he will quit. The Director felt that in the future the jobs themselves will have to be made more attractive and the wages increased if turnover is to be reduced.

Although most of the <u>current</u> employees interviewed spoke favorably of the Company's training program, some were critical. One cook reported that she was trained for about three days, after which the manager left her on her own. Several others stated that they did not like the idea of the Company's training employees during rush hours. As far as good aspects of the training program as it existed, most of the current employees liked the idea of working closely with the trainer, for most of the instructors were reported to be patient and understanding. It seems that not all employees are given a full three-week training period, since many of the respondents stated they received training for only a short period of time and felt that more time should be given for a new employee to learn his job. Sixteen of the 20 current employees thought that the training they received was adequate for them to perform their job, but only 12 felt that their training was adequate to



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prepare them for an advanced level position with the Company. Sixteen of the 20 felt that their trainers were interested in their progress.

The six former employees were divided in their thoughts about the efficacy of the Company's training. While most of these persons had received several days training, one busgirl reported that her training lasted for about ten minutes. In her words, "It was a slide show, and some lady told me about it". It seemed that this was all this employee knew about the Company's training. For the most part, these employees concurred that "The only way to learn to do it is to work at it".

When asked if the Company would be receptive to a government subsidy of a training program, the Director of Personnel stated that the Company is involved now with the mentally retarded. He also said that the Company probably would prefer not to participate in government subsized programs due to the large amount of paper work the government requires.

V Career Progression:

The Personnel Director stated that the Company definitely prefers to promote from within. It is stated in the employees' handbook that, "At least 25 of our managers have started in the dishroom, in the kitchen, etc." The Company makes it a point to list job vacancies on the bulletin boards at the units.

The Company's philosophy is that it is necessary to raise the whole base of salaries for food service employees by offering fewer wage steps but larger increments. The Company has no definite promotion schedule for its employees, but it claims to offer higher salaries to those persons with greater responsibility. The employees work a five day, 40 hour week, and are paid time and a half for overtime.

Although not necessarily a vertical move, 13 of the 20 individuals were holding at least their second job with the Company. However, when asked if the Company had a genuine interest in their future, 15 of the 20 persons stated they did not feel that the Company had an interest in them. Eleven of the 20 persons interviewed felt that they would like to stay in the food service industry, and nine of this number said they would like to stay with the Company.

Nineteen of the 20 interviewees had received a raise since they began



work with the Company, but it must be remembered that these employees had worked anywhere from six months to 13 years. One 51 year old worker stated, "After 13 years here, only 15¢ separates my pay scale from the new girls". Only 11 of the 20 interviewees expressed confidence that their salary would increase in the future. At one location none of the persons working had received a raise in the past year. Nevertheless, 12 of the 20 current employees felt that their wages were fair for the type of work they did. Only three of the 20 were looking forward to what could be considered a promotion. Since 19 of the 20 interviewees were females, many of whom were married and had children, it was not surprising that 15 of the 20 reported they would not accept a transfer in order to obtain a promotion.

Four of the six <u>former</u> employees stated that they were informed of a wage schedule when they applied for the job and two of the six persons reported they were told of a promotion system even though a formal system did not exist. Most of the former employees had taken the job with the Company with the intention of working only for a short period of time. Most were discouraged by the low wages they were paid, and left as a result. As one employee stated, "The boss got mad because he thought I wasn't working fast enough and I thought for \$1.50 an hour I'm not gonna work ary faster". After leaving employment with the Company, only one of the former employees accepted a job in food service.

VI Fringe Benefits:

In talking with the Company Personnel Director, it was disclosed that the firm offers a considerable number of employee benefits. These include hospitalization and health insurance, paid holidays, paid vacation, 50 percent discount on meals while on duty, and bonus points which can be used toward the purchase of catalogue merchandise. The Company offers their employees no educational benefits and no transportation allowances, but the latter has been given consideration where an employee lives a considerable distance from his job. Most of the benefits mentioned would apply to trainees as well as older employees.

The majority of <u>current</u> employees interviewed were familiar with their health insurance benefit as well as paid vacations and the bonus point program for merchandise. Only three of the <u>former</u> employees interviewed reported that they were informed of employee benefits. One person reported that she had



only "received a little booklet". It appeared in these cases that the employee benefits were poorly communicated.

VII Company Development:

Eighteen of the 20 current employees felt that the general public respected the food service industry. Only ten of the 20 persons stated that their positions were respected by the general public. They seemed to think that their jobs lost respect due to the low wages and the subservient nature of the work. On the other hand, 17 of the 20 persons thought that their fellow employees respected their jobs. Like most other food service workers throughout the industry, these employees felt that raising the image of the industry could be accomplished by the raising of wages. Noteworthy was the comment of an older woman who was in charge of training many of the young girls. She stated, "The work is too hard for the pay you get. We have girls come back and tell us about the jobs they have just taken. They say it is easier work for more money. Some girls say, 'this is peanuts, I can make more at babysitting'".



Company No. 8

General Background

This firm specializes in fast foods and although the Company is only five years old, it has shown a steady growth, and now operates 262 units in 33 states. The Company primarily hires part-time employees who seldom work over 30 hours per week.

Eighteen current employees of the firm were interviewed at four units. All were male, whose ages ranged from 16 to 32 years. All but three were under 25 years of age. Seventeen of the employees were white, one was black. was indicated by the Company's Personnel Manager that only one percent of non-management employees were black. The educational background ranged from a tenth grade education through four years of college. Only four of the men had not yet completed high school.

In addition, six <u>former</u> employees of the Company were contacted by telephone. All six were white, and all but one was under the age of 25 years. The former employees' educational backgrounds ranged from tenth grade to four years of college.

I Manpower Identification:

The Personnel Director stated that his firm is having difficulty in obtaining food service personnel, although the problem is only for certain hours of the day rather than for a specific job or lack of labor supply in general. He stated that his turnover was rather low, but he could quote no figure as the Company did not keep such information. He felt that the Company's turnover was kept at a minimum as they paid slightly higher wages than comparable organizations and offered reduced work loads for employees. He also felt that his Company offered a more pleasant working environment to an employee than other food service operations.

The Company does not require any formal educational level for food service positions, and a prison record is not a bar to employment. The Personnel Director stated that his current employees are the best source the Company has for obtaining new employees, but they also obtain personnel from schools and employment agencies. All job applicants are personally interviewed by unit managers, and the Company requires the completion of a job application.



This Company requires a mathematics test for all new employees, as well as personal references, which are checked. Each employee is expected to learn how to operate a cash register and make change for customers. For this reason, all job applicants are given a fundamental math test to insure basic ability to add, subtract, multiply and divide. The Personnel Director stated that as a general rule the Company requires both an initial physical examination and yearly checkups.

All of the employees carry the title of "counter man" with the exception of assistant managers who are working supervisors. Nine of the 18 current employees had held previous jobs before employment with the Company. Five had held jobs in the food service industry, three of them leaving their previous jobs due to low wages. Most of those interviewed had learned of a vacancy with the Company through friends or through an employment agency. When asked why they took the job, the answers indicated that they had friends working there, they needed money, or because they felt it was a good operation in which to work.

None of the <u>former</u> employees had held food service jobs previous to their working for the Company. Unlike the current employees, none of whom held a second job while working for the Company, two former employees had held a second job. Prior to their employment with the Company, none of the six persons reported that they had ever received any food service training. Three of these former employees became aware of a position with the Company through advertisements when they saw the construction site. In applying for jobs, all six persons were required to fill out an application form, and all received a personal interview. None of the six persons reported that they were required to take a personnel test of any sort, not even the fundamental math exercise.

II Job Environment:

Most of the current employees seemed to feel that the Company was a good company. Only one person had a definite negative comment. When the employees were asked about disadvantages to them in working for the Company, 13 of the 18 persons responded that there were definite disadvantages. Most of the full-time employees did not like the long hours they had to work, the required working on holidays, or the absence of over ime pay. However, 14 of the 18



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persons interviewed stated that they felt the Company had an interest in them and their future. One employee explained, "You can tell by the way your boss treats you". It is interesting to note that this employee had a perception of the Company that was based only on his exposure to one unit supervisor.

Only one of the $\underline{\text{former}}$ employees thought that the Company was not a good organization.

III Orientation:

The Personnel Director reported that the Company presently has an orientation program for all non-management employees. Although the initial program is only 20 minutes in length, the employee is given a handbook which he may study for one week but then must be returned to the manager. The Personnel Director stated that the unit managers apprise the new employees of wage schedules, promotion potential, and job descriptions. In his words, "The managers are doing a better job than the everage in the industry, but not half as good as I would like them to".

Five of the six <u>former</u> employees reported that they received full information concerning their jobs when they were hired. Four of the men were introduced to their co-workers, and five of them had been given a tour of the organization. All six stated that they were given their uniforms and told to whom they should report for work. Only three of the former employees stated that they were told of employee benefits accruing to them when they worked for the firm.

IV Training:

The Company has a formal training program. The program lasts approximately 32 hours during which a unit manager, assistant manager, or counter man could act as instructor. Progress reports are submitted on each employee during the program, but no wage increase is offered after completion. This training program costs approximately \$300 per new employee as estimated by the Company. The organization has a full-time Training Director to oversee the program.

Instruction is given on the job through the aid of the employee handbook previously mentioned. The book is thorough in covering each of the job positions in the operation. Completion rate for employees enrolled in the



program is approximately 60 percent, as many employees become discouraged before completion of the training and leave the Company. The Personnel Director estimated that no more than ten percent of the persons completing their program left the Company within the first 30 days. In other words, if an employee completed training there was a greater probability that he would stay with the firm than if training was delayed, interrupted, or conducted haphazardly.

The Director expects the training program to change in the future in that the Company will require and use more audio-visual aids to emphasize the salesmanship aspect of the operation. He seemed pleased with the Company's training program since management personnel have been able to orient many non-management trainees to look to the industry as a career possibility.

Only four of the 18 current employees interviewed felt that the Company's training program was unsatisfactory. The remaining 14 employees spoke favorably of the program they went through, and they were able to name a long list of skills which they had learned during their training. Most of these employees felt that one of the best aspects of their training was that the trainers seemed to show interest in their progress. Others reported that they liked being left on their own with some responsibility, and still others liked the use of audio-visual aids to which they had been exposed. Only four persons thought that there was a bad aspect to the training, and these individuals thought that the program was not long enough. Sixteen of the 18 current employees felt that their training program qualified them for their present job, but only seven thought that the training was adequate for them to hold a more responsible job in the Company. Only two current employees stated that they felt their trainers were not interested in their progress.

All six former employees reported that they were trained by the Company for a period ranging from four hours to three days. Like the current employees, these six persons were also able to name many skills which they learned in training. Three persons felt that the training was adequate for their job, but three others were hesitant to say that they thought the training they received was good. One former employee reported that although the training was very good for those employees hired for a new unit about to open, workers hired later did not receive the same type or quality of training.



V Career Progression:

According to the Personnel Director, a promotion schedule is in effect for the nor-management employees even though there is a single job classification. He explained that the single job position is divided into four steps which categorize an employee's level of competency.

Ten of the 18 current employees interviewed intended to make a career of food service when they began with the Company. There appeared to be high morale in the units observed, reflected in statements such as, "Most people don't realize this business is a profession, and I want to improve that". Many of these current employees felt they would enjoy staying with the Company. The others generally stated that they would be interested in remaining with the Company if they saw a chance for advancement.

As promotions and wage increases in many instances depend on how quickly an employee is able to learn his job skills, it is understandable that only half of the employees reported that their pay increased after completing training. Sixteen of the eighteen men felt that their wages were fair for the type of work they were doing. Most of the employees were looking forward to a promotion, except those seven persons who held the job temporarily to work their way through school. Ten of the 18 interviewees indicated that they would be willing to change job locations if they were offered a promotion.

Although three of the six <u>former</u> employees were informed of a wage schedule when they took their jobs, none of the six had been informed of a promotion system. Most of the interviewees took the job for only a short time to tide them over until something better came along, a fact confirmed by those who left for higher wages or better hours with another company. Due to long hours and lower wages working with the Company, none of the former employees expressed a desire to return. None of the six persons took a job in the food service industry after leaving, and all stated that they were much better off in their new jobs.

VI Fringe Benefits:

For those employees who work at least 30 hours per week, the Company offers a number of fringe benefits. These benefits include profit-sharing, hospitalization insurance, health insurance, meals on duty, and yearly bonuses.



Unfortunately, the fringe benefits do not apply to all trainees since they start only after an employee begins work at the 30 hours per week level. The Company usually honors those with long service by an annual party at the unit level.

Seven of the 18 <u>current</u> employees reported that the Company offered them no benefits or that they were unaware of any. These responses were due, no doubt, to the Company's employing a number of persons who did not qualify under the 30 hours per week requirement. A large number of the remaining employees did not name hospitalization and life insurance as benefits.

The communication gap was equally apparent so far as the orientation of the <u>former</u> employees since only three reported that they were informed of benefits when they began work.

VII Company Development:

Most of the employees interviewed had definite opinions on whether the general public respects the food service industry, but their opinion was rather evenly divided. Those who did not feel they had the public's respect thought that the public looked on them as common servants, as inexperienced young people, or as being underpaid. On the other hand, some felt that they had respect because they were industrious. This is an attribute of youth in general, however, and not necessarily a perception of the industry. Nearly all the young men agreed that they had a mutual respect for one another's jobs. Nine of the 18 persons named low wages as a factor in the unattractiveness of the industry, while others mentioned the lack of promotion schedules and long hours.

The Personnel Director was well aware of innovations in orientation and training in the industry, and his Company reflected this fact. His problem, he stated, was that he had trouble communicating with unit managers. In his words, "The hardest problem I have is convincing my managers that training is a good thing".

The Company relies heavily on part-time help employing many high school, junior college, and four-year college students. They expect their turnover to be high which is characteristic of this type of labor supply. Orientation and training problems are compounded by this fact, and the frustration level among unit managers appears to have a low tolerance due to high turnover. On the other hand, the exhuberance of youth and the employees' need for wages



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make them receptive to training. The Company intended to and was starting to hire female employees to fill the counter server position, a fact that the Personnel Director viewed as possessing both advantages and disadvantages. Females can do the work, will pay attention to samitation, and act as a drawing card for business. Absenteeism and turnover are characteristically higher with female employees than with their male counterparts, however, and unit managers must insure that operations are conducted on a "business as usual" basis, not allowing horseplay or distractions.

The Company was using visual aids for new unit orientation and training, and hoped to utilize these devices in existing "older" locations. Their labor supply is ample and shortage is not a problem. Nevertheless, the firm is overlooking a potential full-time labor market that could result in a reduction of labor turnover, and which could contribute to a favorable Company image.



Company No. 9

General Background

The Company began primarily as a restaurant organization, but today encompasses catering operations, hotels and motels, vending, airline feeding facilities, and fast foods. The Company presently employs over 20,000 persons, with nearly half of this number being members of minority groups. The research team visited the Company headquarters and visited three of the Company's operations. The Company is now undergoing great expansion in all areas of food service.

Twenty current employees were interviewed, of whom 15 were men and five were women. This number consisted of 17 blacks, two whites, and one Latin American. The ages of the interviewees ranged from 19 to 52 years, with six under 25 years of age. Only nine of the persons interviewed possessed a high school diploma. Their length of employment ranged from three months to 27 years, and their positions included busboy, waitress, utility man, operating chef, food preparation employee, and truck driver for the airline operation.

From a list of 35 names gathered from Company files, five former employees were located and interviewed by telephone. Their ages ranged from 16 to 35 years, with three of the persons under the age of 25 years. Three of the former employees were male, two were female, three were black, and two were white. Three of the five persons had graduated from high school, and the same number had worked in the food service industry previous to their employment with this Company. They had held positions of busboy, salad girl, waitress, and waiter. The period of their employment ranged from one week to nine months.

I Manpower Identification:

The Personnel Director for the restaurant division of the Company reported that he was having difficulty in obtaining and retaining non-management food service personnel, a fact confirmed by the Company's 100 percent per year turnover rate. He felt that turnover problems exist because of the unusual hours of work, low wages, and the lack of career orientation in the food service industry.

The Company does not require any formal education for non-management



employees. A prison record is not a bar to employment. The Company obtains most of its hourly employees through employment agencies, newspaper advertisements, and personal contacts by current employees. The Director reported that personal interviews of prospective employees are conducted by management personnel. The firm does not require or use personnel tests at this level. New employees are required to provide personal references which are to be checked by unit managers. Unless required by law, the Company does not require that an employee have a physical examination.

Most of the <u>current</u> employees interviewed had held jobs in the food service industry prior to their working for the Company. Most had left their previous occupation or position with another firm due to low wages, poor working conditions, or the seasonality of the operation. Most of the current employees reported learning of the job with the Company through friends, a few obtained work by responding to newspaper advertisements or contacting employment agencies. Six of the 20 persons interviewed had merely walked into the Company personnel office seeking employment.

Three of the five <u>former</u> employees interviewed had worked in the food service industry, but none had received any formal food service training prior to the time they were employed by the Company. Three of these persons reported that they became aware of the job opportunity through friends who were working for the Company, one had been sent by an employment agency, and one learned of an opening through a school placement office. All five reported being required to complete an application form, and all but one had a personal interview. None of the former employees was required to take a personnel test, which confirmed the conversation with the Personnel Director.

II Job Environment:

Most of the <u>current</u> employees interviewed felt that the Company was a good one for which to work in that it offered them opportunity for advancement, the benefits were good, and the wages were generally fair. However, when they were asked whether there were any disadvantages to them in working for the Company, a number of the employees stated that the main disadvantage was low wages. Others complained about the long hours they had to work and about the extra work load imposed on them when a co-worker did not report for work. Nineteen of the 20 persons interviewed felt that the Company had a genuine interest in their future, primarily because they received word of the new



career progression program that the Company was developing.

Following rather closely the interviews conducted with current employees, four of the five <u>former</u> employees felt that the Company was a good company for which to work. They had terminated their employment for personal reasons or had a misunderstanding with co-workers or supervisors.

III Orientation:

The Company has no formal orientation program. Orientation of new employees is the responsibility of the unit manager, although this situation is expected to charge in the near future. The Company expects to initiate the use of audio-visual aids for orientation. The Personnel Director felt that the orientation now offered is superficial, having little direction from the home office. Due to the short time allotted to introduce a new employee to his job, the unit managers have little time for general orientation.

The <u>former</u> employees were asked several questions specific to the Company's orientation. Four of the five persons reported that they had received full information concerning their jobs, and all of the former employees reported that they were introduced to their co-workers. They were all given a tour of the organization, all were introduced to their supervisors, and four of the five were informed of employee benefits at the time they undertook employment.

IV Training:

The Company is presently developing a program to encompass both orientation and training through the use of films. Film strips will be used for training for each of the Company's food service positions, as well as offering information on job descriptions, benefits, and promotion ladders. The Company conducts formal programs for the training of supervisors in how to instruct. Considerable recognition is given to those who complete this program.

The Personnel Director could not estimate the cost of the training program. The Company has a full-time training director with a staff of six persons. Although the Personnel Director did not have records to ascertain how many personnel are in training at a given time, he estimated the number to be 20 percent of the non-management work force. The Company seems well aware of both present and future needs. The Personnel Director reported that



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the Company will continue to change its training program as they become larger and more diversified.

Only two of the <u>current</u> employees had ever received any food service training prior to employment - both through military service. Over half of the current employees reported that they had no formal training with the Company. With few exceptions, the interviewees who received training spoke favorably about their experience. Some employees felt that the supervisors did not take enough interest in them. All but one of the persons who reported having had training felt that the program was adequat to prepare them for both their present job and for future positions with the firm.

Two of the five <u>former</u> employees interviewed reported that they had received formal training from the Company. Both were pleased with the program which they felt was adequate. However, neither felt that the program trained him well enough to work at a higher job level.

V Career Progression:

As mentioned, the Company is somewhat deficient in its orientation of new employees, but the Personnel Director reported that all applicants are supposed to be informed of the wage schedule for their position. The Company is now working on a career progression system where the jobs in any given area will be interrelated to give an upward mobility perspective. Such a career system can be implemented on a Company-wide basis since the Company is not unionized.

Twelve of the <u>current</u> employees interviewed were presently holding their second or higher position since joining the Company. Thirteen of the 20 interviewees stated that they would like to remain in food service. Probably due to the plans for the new career progression system, one employee stated, "When I first started I didn't have much to look forward to, but now it's much better".

All of the 20 current employees reported that they had received a raise since they started working for the Company. Nevertheless, a number of them also felt that their present wages were too low. Twelve of the 20 persons were looking forward to a promotion, but the great majority of these same workers expressed ignorance of promotion possibility. Only seven current employees would change their geographical location to accept a promotion.

Only one of the five former employees had received a wage increase while



working for the Company, and only two of the five had any knowledge of a wage or promotion schedule. The five persons left primarily because of low pay, odd working hours, and differences with supervisors. Three of the five former employees, when contacted, were still unemployed, while the other two were working in jobs outside the food service industry. They claimed to be receiving better pay and had better working hours in their new jobs.

VI Fringe Benefits:

The Company provides its employees with a volume of fringe benefit literature. Still, the Personnel Director felt that the benefits were not communicated as well as they should be.

No transportation allowances are offered to employees, a practice which the Personnel Director feels creates difficulty in attracting many workers. However, this is one of the few benefits not offered, for the Company has a very extensive fringe benefit program. Besides the usual benefits such as paid vacation and insurance, the Company offers an elaborate profit-sharing-retirement program and educational assistance to non-management employees. Many of the benefits do not apply to recently hired employees, however, and therefore have little effect on reducing turnover rates.

Long service is recognized at five year intervals through the issuance of service pins.

Most of the <u>current</u> employees knew of at least two benefits, the profit-sharing being foremost in their minds.

VII Company Development:

The Company is now developing a system of centralized placement for management personnel, a practice which they hoped could be developed for non-management employees as well. They are also developing a career progression program for their employees. The new audio-visual aids for training should upgrade all food service positions to make the career progression system functional and tangibly visible.

Most of the current and former employees felt that their jobs generally had the respect of the public. However, it was felt that few persons were able to answer the question from a broader, industry-wide point of view. The employees suggested the raising of wages and reducing working hours as a



means of upgrading the industry.

This Company has been able to communicate its progressive attitude the ard training, human relations, and career progression to its employees. Company loyalty and pride in one's job seem to prevail throughout the Company. No doubt promoting the high employee morale is the Company's large number of benefits.

Company No. 10

General Background

The food service operations of the Company include industrial feeding which constitutes approximately 80 percent of their units, the remaining 20 percent being school and hospital feeding facilities. This Company, which employs some 15,000 persons, expects that its greatest expansion will be in hospital feeding. The Company operates over 500 establishments, three of which were visited by the research team.

At the three units, 21 <u>current</u> employees were interviewed, 18 of whom were female. Ages ranged from 16 through 70 years, with only three persons under the age of 25. Seven of the interviewees were black, and 14 were white. Ten of the 21 persons had completed high school, and the remaining 11 had completed between seven and ten years of school. Positions held included counter servers and waitresses, as well as kitchen help such as cooks and potwashers.

In addition, seven <u>former</u> employees of the Company were contacted for telephone interviews. Four of these seven persons were female, and six of the seven were white. Their ages ranged from 17 to 59 years, with four of the former employees under the age of 25. The four younger persons were either attending college or high school, while the remaining three persons had not advanced beyond the tenth grade.

I Manpower Identification:

The Company's Personnel Director reported that he was experiencing difficulty in obtaining and retaining non-management personnel, but he stated that, "It is not any worse now than it has been in the past". The Company's turnover rate varies between 100 and 150 percent depending on the type of operation. The greatest turnover occurs in those jobs which are normally thought of as "dirty" such as dishwashing, and general utility help. The Director felt that since women are less stable employees than many males, the large number of female employees the Company has tends to increase the overall turnover rate. He felt that factors also to be considered are low wages and the pressure-type nature of the business. Many of the Company's employees are lost to industrial concerns where the employees are serving food since



these companies pay a higher wage than this firm.

The Company does not require any formal educational level for non-management food service employees, and rarely is a prison record a bar to employment.

The greatest source for new employees is the personal contact of current employees with their friends and relatives. Some assistance in obtaining employees is gained through schools and employment agencies.

The Personnel Director reported that all job applicants are personally interviewed by unit managers. No personnel tests are required. Physical examinations are only required when the Company must comply with local or state legislation.

Ten of the 21 <u>current</u> employees interviewed reported that they had held jobs in the food service industry prior to their employment with the Company. Their reasons for leaving their previous jobs were numerous, although many persons reported leaving to find a higher paying job, or to avoid conflict with a supervisor.

Most of the persons interviewed reported that they learned of the job with the Company through friends or relatives. Some had found the job through employment agencies, newspaper advertisements, or by applying in person. Although several persons indicated that they took the job because they needed work, other responses included, "Because the manager was nice", and the fact that one could wear a uniform back and forth to work. Only one of the 21 persons interviewed held a second job at the time of the interview.

Two of the seven former employees interviewed had worked in the food service industry prior to employment with the Company. These persons had worked for the Company from three months to nine years. Six of the seven former employees became aware of the job through friends or relatives who were working for the Company.

Five of the seven former employees stated they filled out an application form when they applied for their job, and four of the seven reported they had received a personal interview. None of the former employees was required to take a personnel test. Two persons did not recall completing an application form other than "Tax Forms", and these individuals stated that they were put to work immediately without the benefit of a personal interview.

II Job Environment:

Nearly all the current employees interviewed felt that the Company was



a goof one for which to work. Many felt they received a number of benefits. The employees, however, seemed to have more to say when they were asked if there were any disadvantages to them in working for the Company. A few felt that the reduced hours in some of the college feeding establishments during vacation periods caused them a loss in pay. A number of persons also mentioned that low wages were a definite disadvantage to them. One irate employee, in spite of the fact that he became physically ill from performing the task, was still forced to clean out garbage cans. Most current employees did not feel the Company had an interest in their future. One employee felt that the Company had no interest in her because, "There is no elevation of any sort".

Six of the seven <u>former</u> employees felt that the Company was generally a good organization but had some disadvantages. Low wages were mentioned as a bad feature, and several former employees reported that they didn't like the unit manager where they were located as he wouldn't listen to their problems or respond to their requests.

III Orientation:

The Personnel Director reported that the Company has no formal orientation program for non-management employees. The employees are oriented in relation to the plant or site where the feeding operation has been established. This practice may explain in part the "pirating" of employees by industrial sites.

The stock clerk interviewed reported that, "There are rooms here I didn't even see until I was here for thirty days". Whether the employees are informed of wage increments, promotion schedules, or benefits depends entirely on the unit manager.

When asked specific questions concerning their orientation, all <u>former</u> employees reported that they were introduced by the supervisor to their coworkers, but only three were given a tour of the operation. Five of the seven persons, at the time of their hiring, were not given full information concerning their jobs, and two persons were not given the uniforms required to do their job. One former employee reported having furnished her own uniform, while another had no uniform at all during her employment with the Company. All seven of these persons were advised to whom they should report for work.



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IV Training:

Although no formal training program exists, the Company does use on-the-job instruction in which an experienced employee or manager teaches a new employee his job. There are no progress reports submitted on new employees, and wage increases are not awarded after the training period. The possibility of an employee receiving cross-training on the job depends on the size of the unit and the unit manager. The Director reported that at some sites, where as little as three persons operate the entire unit, cross-training is imperative.

The Company has no system for determining the cost of training, and the Director reported that it would be difficult for him to estimate the actual cost. The Company has a full time Training Director's position, but it was vacant at the time the research team visited the Company. The Personnel Director felt that this type of training was desirable in that the Company did not have to invest a lot of money in the program. He did admit that in such a program employees are not trained as well as they might be, were other methods to be used in conjunction with on-the-job instruction. The unions offer the Company no help in regard to training. When asked if his Company would be receptive to government subsidy of a training program, the Personnel Director stated that such an agreement was "very unlikely".

The Personnel Director stated that the Company's training needs must change since, "In the past we have relied on the cream rising to the top, but now it is running thin". It was revealed that the Company intends to remedy their turnover problem by attracting more people into food service rather than making changes in their training program.

Most of the 21 <u>current</u> employees interviewed reported not having formal food service training before working for the Company. Most were also aware that there was no formal training program in the Company, a fact confirmed by such statements as, "No one showed me (the job); it was complete chaos when I got here". Most all of the current employees indicated they received some on-the-job training in the Company, but it appeared that those who had any experience at all in food service were placed on the job immediately with no instruction. One employee thought that the Company did not need a training program since most of the persons who came to work there were already experienced in food service. Most of the employees expressed the opinion that not only should the Company train its new employees, but it should also retrain



the older, more experienced help. Most of the employees who had no previous food service experience, seven of the 21, indicated that their training with the Company was inadequate for proper performance of their job. Most agreed that their trainers were interested in their progress but this was because their trainers were co-workers.

Four of the seven <u>former</u> employees interviewed felt that they had received some training with the Company. Training was described by most as being inadequate. For example, one dishwasher was given a "training period" of two hours. A pantry girl reported that she was trained for one full day during which time all she learned was how to make jello. Six of the seven employees agreed that their training was inadequate for the job they were to perform, and was inadequate to equip them for higher levels of responsibility in the unit or in the food service industry.

V Career Progression:

The Personnel Director reported that prior to employment, all applicants are informed of wage schedules. He qualified his statement, however, in that wage schedules are made up by unit managers, and there are varying degrees of success in the communication of these schedules. He also stated that "hopefully" all employees are told of promotion schedules for their jobs, but that the Company has no job descriptions for food service positions. He felt that job descriptions would only be "ammunition for the union arsenal".

In many of the units, the wage increases given employees are handled entirely through union agreement. Where there is no union, the Personnel Director stated that the main office of the Company keeps records on when an employee is due for a raise or promotion. Although promotions and wages are independent of one another, a promotion will usually result in a wage increase. The Company normally will try to accommodate any individual who chooses to transfer his job location.

Only seven of the 21 <u>current</u> employees interviewed reported having had a promotion since beginning with the Company. It appeared, on further inquiry, that all of these promotions were lateral transfers to fill vacancies.

Most of the current employees indicated that they intended to make a career of food service, and most wanted to continue working for the Company. It is important to note, however, that several of the employees stated that their continued employment with the Company depended on future wage increases.



They stated that if they thought they could receive a pay raise by taking another job, they would not hesitate to leave. Most of the current employees who had worked with the Company more than one year reported that they received at least one increase in pay. After talking to the 21 current employees, it appeared that their pay scale was relatively low. One employee who had been with the Company for eight years started at a rate of \$1.10 per hour, and after eight years was making \$1.55 per hour. One woman stated, "I'm ashamed to tell people what I make". Nevertheless, most of the employees were rather optimistic about the possibility of wage increases for the future although many of the reported increases seemed to reflect merely an increase to comply with minimum wage laws. Nearly all the employees felt that their wages were unfair for the work they did. Particularly discouraging to some was the wide disparity in wages among workers who were doing essentially the same job. They reported that it was not unusual for a person to be hired at a better wage than was being paid to a veteran company employee. None of these 21 employees could actually say they had been promoted. A few looked forward to promotions, but the majority did not since they were well aware that no promotion system or potential existed. Few of the employees were interested in transferring locations.

Five of the seven <u>former</u> employees stated that no one in the Company ever mentioned anything to them about promotion possibilities. Three of the seven persons had received a wage increase during the time they worked for the Company.

Most of the former employees left their jobs with the Company due to disagreements with supervisors, because the work was too hard, or because the wages were too low. Two of the seven persons took another food service job after leaving employment with the Company, three found positions in other fields, and two were unemployed.

VI Fringe Benefits:

According to the Personnel Director, applicants are apprised of the fringe benefits offered to them through the distribution of booklets which cover insurance, profit-sharing, and lesser benefits. The Company does not plan to design a general employee handbook since the operations and union affiliations are so diverse. The Company will provide some bus transportation when it is a problem for employees to reach a remote industrial site. They also provide



the uniforms and tools required of an employee and offer food service employees free meals on duty.

Employees with long service records are awarded service pins at regular intervals.

Although some of the <u>current</u> employees interviewed could name the insurance benefits, a few individuals were unaware of any benefits available to them. Likewise, two of the seven <u>former</u> employees interviewed reported that they were unaware of any benefits accruing to them while they worked for the Company.

VII Company Development:

The Personnel Director felt that there will be a general upgrading of food service positions in the future, and that the lower level positions in the industry will disappear. He felt that there will be a move away from manual food service, a trend on which his Company is hoping to capitalize through the increase of vending operations.

More than economic improvements will have to be made, however, since as was found with other companies, many of the employees felt that the food service industry and their jobs in particular were not respected by the general public. This prevailing sentiment among non-management food service employees was echoed by a waitress who stated, "They say it (food service) like they say 'truck driver' and 'ditch digger'". Most of the current employees felt that wages and working conditions could be improved to help raise the image of the industry.

Company No. 11

Ceneral Background

This Company represents a restaurant and motel operation with approximately 23,000 full-time employees. They are in the process of an extensive expansion program into the fields of fast foods and gournet restaurants. Members of the research team visited with the Company's Manpower Development Officer. In addition, ten female and seven male current employees were interviewed. Eight of the 17 persons were under 25 years of age and all but four had completed high school. Time employed with the Company ranged from two weeks to 28 years. The positions held were waitress, cook, busboy, dishwasher, and bartender. Nine former employees were contacted by telephone to obtain further impressions of the Company. Six of the nine were female, and all had either completed high school or were presently enrolled. Only four persons had held previous jobs in the food service industry. Their employment with the Company ranged from two weeks to two and one-half years.

I Manpower Identification:

Members of the research team spoke with the Manager for Manpower Development who indicated that he was experiencing difficulty in obtaining and retaining food service personnel, particularly utility men, waitresses and cooks. He estimated, however, the rather low turnover rate of 25 percent per year, a figure he felt was realistic for his firm. He stated that turnover problems exist because of the low status and compensation associated with non-management positions. He also stated that management will have to reduce turnover by improving its relations with hourly employees. The Company requires completion of an application blank, and applicants are supposed to receive a personal interview from the unit manager. A prison record is not a bar to employment as a matter of Company policy, but in fact depends on the attitude of the unit manager.

The Company obtains most of its food service personnel through public employment agencies, schools, and newspaper advertising. Personal references are not regularly checked, and physical examinations are not required prior to or during employment.

All but one of the current employees interviewed had no previous experience



in food service. Five of these interviewees had held previous positions with the Company. They had left their original jobs for various reasons which reflected general job dissatisfaction with working conditions or personal relations. Most persons became aware of a job with the Company through friends or relatives, or by walking in actively seeking employment. Several persons reported that they took the job because it was the first one offered them.

Two of the nine <u>former</u> employees reported having had food service training prior to employment with the Company. Most of the interviewees became aware of the food service jobs through newspaper advertising or personal application. All of the former employees were asked to file an application form, but only six reported having had a personal interview. No tests were taken by the former employees, and in most all cases, information about their jobs and introductions to co-workers were effected.

II Job Environment:

When the current employees were interviewed and asked whether they felt that the Company was a good one for which to work, the general sentiment was favorable. A typical statement was that of one waitress who said, "The Company is excellent. They're very fair in all respects". However, when these same employees were asked about disadvantages to them in working for the Company, they offered some insightful remarks. Most of the disadvantages which the employees ramed were associated with either the physical working conditions such as an overheated kitchen, or with low wages. Many of the interviewees felt that the Company "treats us like numbers". One waitress remarked, "The Company doesn't really care about you. All they care about is their money". Following somewhat the pattern of answers given by current employees, five of the former employees felt that the Company was a good organization on the whole for which to work. Those speaking in favor of the Company, named a variety of things they liked about their former jobs such as good meals and the congeniality of their co-workers. Most of the former employees who didn't care for the organization felt that there was little chance for advancement and that there was little employee recognition.

III Orientation:

The Company has no formal orientation program to present to its non-management employees. However, the Manager for Manpower Development reported



that the Company's new employee handbook, which was about to be published, will hopefully help fill this gap. What orientation does exist depends on the approach and sensitivity of unit managers.

IV Training:

The Company's training is not organized in a formal program. Most of the training is carried out through circulation of service and food manuals or by "over-the-shoulder" apprenticeship. Time in training varies. A premium is given to waitress trainees to make up for their inability to earn tips, but wage increases are not awarded after a person completes training. A trained employee is allowed to remain at the same location, rather than being required to transfer. On-the-job, cross-training occurs to insure flexibility rather than to upgrade the employee. The Manager for Manpower Development estimated that 25 percent of the non-management work force is in training at any given time, but he could not approximate the cost of the Company's training. Changes in the training program, if any, will come through management's grooming for employee relations rather than through actual job skill training of non-management personnel. The Manager for Manpower Development felt that the inefficiency and lack of dedication of employees at some of the units has been a drawback to the Company's training program.

Those <u>current</u> employees who reported receiving some training from the Company, seemed to feel they learned just enough to perform their jobs to some extent but not at a level of high efficiency. A few persons felt that the training was poor. One waitress reported, "They don't really have a program at all ... so you show her (the trainee) a few things and say 'good luck'." Several workers thought that the training was good because of the personal rapport that existed when they were learning from a fellow worker. The primary criticism was that training took place during rush hours, a time which allows for little supervision or constructive critique. Some employees also felt that too little time was given to training new persons. Only half of those interviewed felt that their training would hilp them in future jobs with the Company, and many felt that the trainin; was not even adequate for them to perform the tasks for which they were trained.

All but one of the former employees interviewed reported that they had



received some training by co-workers, but most felt that the training was somewhat superficial. One employee reported that he had been "trained" for only ten minutes. Others, mostly waitresses, reported training periods of three or four days. Most of the workers felt that their training was inadequate both for the job they held and for any future positions with the Company. Most of the persons interviewed agreed that their training period was too short and was not well supervised.

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V Career Progression:

Although a wage schedule exists, there is no written policy concerning the criteria of awarding wage increments. There is no defined promotion schedule as various positions are merely filled as they become vacant from any source either from within or without the Company. The Company has no job descriptions. The wage system is independent of the promotion system, as both are awarded by need as well as merit.

Twelve of the 17 current employees interviewed had received a pay increase since beginning work with the firm. One must consider, however, both the length of service of many of the employees, and the effect of minimum wage legislation. One person, when asked about her pay, replied, "Yes, it's gone up 3/2. The minimum wage went up I guess". A strong majority of the persons interviewed felt that their wages were unfair. Only five of the 17 reported having been promoted with the Company, and few stated that they had some hope for a future promotion. Most of these workers indicated that they were not willing to change their current location for a job promotion. It was learned through speaking with former employees that most were unaware of any promotion opportunities available to them with the Company, and took their jobs simply because they needed work. what surprisingly, most persons interviewed felt that they would stay in the food service industry and with the Company. The reasons, however, were more from a feeling of hopelessness than one of satisfaction. Said one dishwasher, "There's nothing really in it - nothing to look forward to".

VI Fringe Benefits:

The Company's fringe benefits are communicated through a booklet given to each new employee. Most of the workers, when asked about fringe benefits, were only able to name their insurance. Many were unaware of benefits,

while few mentioned paid vacations and sick pay. This lack of communication of benefits was verified by one former waitress reporting, "The information on benefits was posted somewhere".

Among the Company's benefits offered are hospitalization and health insurance on a contributory basis, paid holidays, meals on duty, and vacations. The Company has no pension plan, educational assistance, profit-sharing, or bonus plan. Most benefits apply to trainees and all persons who work over 24 hours per week.

Employees with a long service record are recognized. Pins are awarded, and dinners are held periodically. There is a Company publication which carries award news and other business information, but it is not distributed on a regular basis.

VII Company Development:

Most of the employees interviewed felt that the food service industry lacks the respect of the general public since it does not present a professional image. Several persons considered the lack of training as a contributory factor. With few exceptions, the employees felt that their positions did not have the public's respect. Most revealed that they felt subservient and degraded. Due primarily to a mutual feeling of understanding and common cause, almost all of the workers felt that they respected one another's jobs. The question concerning the image of the food service industry and its improvement evoked varied responses. Improvement of working conditions, wages, and customer-employee relations were frequent suggestions.

It was found that most of the persons who left the Company to take other jobs were looking for higher wages, promotions or better working conditions. In attempting to resolve their problems, the food service workers gave no preference to a specific industry in which to work.

Although this Company faces a problem common to many food service organizations - that is, lack of communication between the personnel office and their unit management - it is, in some divisions, making improvements in employee working conditions. Through these efforts, turnover has been reduced and the employees' work environment improved overall. Working against the Company, however, was the rather high rate of turnover among unit managers which tended to produce confusion and suspicion among employees when managers were changed. Many employees complained of a manager's inability or refusal to sonse the worker's problems.



General Background

The firm is engaged primarily in the area of in-flight feeding. The Company has recently entered the hotel business and is currently operating a few major hotels in the United States and has planned for both national and international expansion. The Company is also becoming involved in fast food service operations, although this aspect of the business is still in the planning stages as the prototype of the fast food facility will not be developed until late 1970. The Company operates in twenty-two airport locations preparing food and beverages for in-flight feeding, and is also involved in public feeding in the terminal facilities. The total revenue of the Company is equally divided between sales to airlines and in-terminal restaurants and snack bars.

The Company employs approximately 4,500 non-management personnel. The Director of Management Training indicated that approximately 50 percent of the non-management employees were non-white. At the time of observation the Company was in the process of developing new locations, and expanding present facilities in many existing locations in an effort to enlarge their food preparation facilities. The Director of Management Training was interviewed as this individual held responsibility for training at all levels within the organization, even though his title specifically designated him as a management trainer. Sixteen of the current employees were interviewed, and seven former employees of the Company were contacted by telephone in an attempt to ascertain their work experience prior to taking employment with the Company, their impressions and perceptions of their work experience while with the Company, their reasons for terminating employment, and impressions of any training they received.

Of the 16 current employees interviewed, eight were male and eight were female; ten were white, two were black, and four were of Spanish descent. Interviews with the four Spanish-speaking employees were conducted in their native tongue. The age range of the current employees was 18 to 55 years. Two individuals were under the age of 25. Four of the 16 persons interviewed indicated that they had completed high school.

Six of the seven former employees were black and one was white. Their



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ages ranged from 20 to 50 years and two were under the age of 25. Two of the former employees were male, five were female. Four of the seven respondents indicated that they had graduated from high school.

I Manpower Identification:

The Director of Management Training indicated that his Company is experiencing difficulty in obtaining and retaining non-management food service personnel. Labor turnover occurs with the greatest frequency in the utility worker, dishwasher, and waitress positions. The turnover rate for non-management employees for the entire Company is 120 percent per year. Forty percent of all labor turnover occurs in the first month in which the new employee is hired. In addition, 80 percent of all turnover is by voluntary resignation rather than by forced termination. Location is one of the main difficulties in retaining non-management personnel. The food service facilities for the Company are located at or near airline terminals, nearly all of which are semi-remote from the residential areas from where non-management employees are drawn. The Company does not require any formal educational level of its employees and has done a great deal. to attract mentally retarded persons to non-management food service positions. A prison record is not a bar to employment, although the seriousness of the crime, as well as the frequency of arrest can make a difference. All of the employees of the Company are bonded by a system-wide program. The primary source for obtaining personnel for non-management positions are other employees and newspaper advertising. The Company has worked closely with vocational and rehabilitation organizations. The Company was not unionized at the time of the interview and attempts to upgrade and promote persons from within the organization when higher level positions become available.

Seven of the 16 current employees had worked for less than one year for the Company, and two had worked for a period in excess of five years. The positions held included head cashier, counter server, waitress, cook, vegetable preparation girl, driver, and tray assembler. A tray assembler, when asked what her job title was indicated, "I really don't know what the official title is, I guess it would be best described as a 'Snack Pack Girl'." The remark confirmed a statement by the Director of Management Training who indicated that the job descriptions of the Company were written



in general terms for administrative ease in classifying employees for personnel purposes. Eight of the 16 individuals indicated that they had held a previous position with the Company, and their current job was at least the second job that they had since being with the firm. Fifteen of the 16 interviewees reported that they had been employed elsewhere prior to joining the Company and of this number, eight persons reported previous experience in the food service industry. Seven of the current employees indicated that they first heard about a job with the Company through friends or relatives, six had answered an advertisement in a newspaper, and three persons reported that they sought employment with the Company on their own initiative.

The positions held by the <u>former</u> employees included a counter server, a utility man, kitchen porter, salad girl, grill cook, and a tray assembler. Only one individual reported that he had had previous experience in the food service industry prior to joining the Company. Four of the former employees reported that they found employment with the Company through an employment agency, two learned of a vacancy through friends, and one found employment by requesting a job.

The Company requirer a formal job application and the Company head-quarters publishes standard application forms. All of the current and former employees reported that they completed a job application prior to the time they were placed on the job. The Company does not require a physical examination with the exception of personnel working directly on the flight line, and in these cases the physical examination is not complete. Some physical checks are required by law, such as periodic vision examinations and so on. It is Company policy that all job applicants are to be personally interviewed by the unit manager or his designated assistant. All current and former employees reported that they did receive a personal interview at the time they were being screened for possible employment.

II Job Environment:

The Director of Management Training indicated that his Company is quite concerned with the working conditions that exist in the various facilities. As new locations are constructed, and existing locations expanded, the Company is paying particular attention to making the physical



surroundings and conditions a pleasant as well as a functional atmosphere. The Director indicated that recently a new job position was created within the Company the title of which is "Personnel Representative". It is the duty of this person to attend to some of the personal matters and problems of job applicants as well as those of the current employees. The Personnel Rep, as he is called, will screen prospective employees, direct them to the supervisor for whom the applicants would be working, and assist the unit managers in other personnel matters. The Director indicated that since the position is a new one the Company is experiencing some growing pains. Many of the unit managers are taking advantage of this man by placing much of their administrative work load on him which reduces the time available to complete the job for which the position was created. The position of Personnel Representative has been introduced only to the larger terminal facilities within the Company.

It is Company policy that a new employee is to be introduced to the general manager of the unit within a three-day period of first assuming employment. The Company does not give a personnel test nor do they require any personal references. Not all new employees are apprised of wage increments that are available to them based on merit or tenure. When asked if applicants were informed of wage schedules, the Director stated, "It varies. In some cases, I know they are. Certainly they should be aware of their starting salary". The Company has a definite wage step schedule and an employee receives merit increases at the end of six, 18 and 30 months of employment. After this time, he receives seniority increases.

The current and former employees were asked why they decided to accept employment with the Company. Several reported that the travel opportunities available to them were the primary reason they sought employment. Others reported that they simply needed a job, and it was the first position that became available. The Spanish-speaking personnel indicated that it is convenient and financially reasonable for employees of the Company to travel to areas such as Puerto Rico or Mexico. The Director indicated that the Company does not provide transportation for its employees, nor do they offer any travel allowances for employees to reach the terminal facilities. The Company provides all uniforms and tools which an employee must use, and there is no required financial deposit for these items. The Company has recently instituted a program where they reimburse service personnel an additional

50¢ per day for laundering their own uniforms. When asked the reason for this, the Director indicated that commercial laundries are rough on uniforms, and that he felt many of the service personnel would rather launder their own items, and that this new program would be appealing to them.

The <u>current</u> employees were asked what the difficult aspects were of working in their position. One respondent indicated that there was no team work among the employees and he felt that management bickered among themselves as well. A cook reported that he had to work seven days a week, and a number of current employees responded that the work location was a long way from home. A 30 year old driver indicated that he had been with the Company for nine years and reported that there was no advancement within the Company for his position. Other disadvantages reported were: working on weekends, the changing of non-management personnel due to management turnover and the resulting confusion attendant to it, and the unavailability of a three-day weekend.

'III Orientation:

The Director of Management Training reported that the Company has been concerned with management development in the past, and are only now beginning to realize the importance of developing non-management employees in an effort to reduce turnover and retain good workers. When asked if the Company has an orientation program for non-management employees, the Director replied, "Not a formalized one, I'm sorry to say". The Company has used visual aids to some extent as part of an orientation program but has abandoned this approach in favor of face-to-face communication between a supervisor and his immediate subordinates. The Director reported that he, personally, felt it was very important to promote a good working relationship between non-management employees and the supervisor and that the communication line could be established as part of the orientation program. The Company offers an employee handbook which is 48 pages in length and includes material on benefits available to employees, expected conduct, and words of greeting from management personnel. The Company has a mimeographed sheet of paper which is given to new employees which is entitled, "Information For New Employees". On this sheet, the name of the new employee's supervisor, the working hours, the job classification of the position held, the rate of pay, and the location where the new employee is to report are inserted.



At the time of observation the Company was just beginning to publish a house organ for its employees. One copy had been published at the time of the interview, and the Director stated that it was the intention to make the house organ a monthly publication. Since the periodical had not yet been given a name, the Company was running a contest for all employees who could submit suggestions to name the publication. The periodical is designed to be employee oriented with relatively little emphasis on such matters as expansion plans, financial condition of the Company, and other business matters.

The <u>former</u> employees were asked if they received full information as to what their job entailed prior to the time they assumed the responsibility for it. One former tray assembler indicated, "They didn't tell me all about it ahead of time". One of the seven former employees reported that she was not introduced to the people with whom she found herself working.

Three of the seven former employees indicated that they had not received a tour of the entire organization which deprived them an overview of the establishment in which they were working. They reported that they were simply shown their position location. One female stated that she did not receive a uniform while she was working, as her supervisor told her they were temporarily out of uniforms but she would receive one when it became available. She never received it. A former salad girl reported that she was handed a booklet by her supervisor who told her that everything she needed to know about the Company could be found therein. Another former employee reported that he did not receive any such information on benefits until six weeks after he was working with the Company.

IV <u>Training</u>:

The Director of Management Training reported that the Company does not have a formal training program for non-management food service personnel. He stated, "We don't have a formal training program at the corporate level. The actual training varies at each location. We are now attempting to standardize some of the training procedures". He continued to explain that most of the training was done on an informal basis using on-the-job training. Progress reports are submitted on each new employee at the end of three, six, eighteen and thirty months. The last three progress reports are considered as the basis for the merit wage increase. The Director reported that he felt the Company is not getting the utilization out of the progress reports that the Company



needs, as the report form needs redesign and more formal training is necessary. He felt that many of the supervisors are completing the progress reports perfunctorily.

When asked if there is any flexibility with the wage increases, the Director stated that there is some flexibility with respect to the position of cook, but for other positions an employee must stay on the job for six, eighteen and thirty months to receive a wage increase.

Each of the <u>current</u> employees was asked if he felt the Company had an interest in his future. The responses were varied. Several persons indicated that they simply didn't know as the Company had never indicated such to them. A few indicated that they felt the Company was not at all interested in them or their future, and a few reported that they did feel the Company was interested.

Fourteen of the 16 current employees reported that they had received no formal training for their position with the firm. One tray assembler reported, "Someone showed me what to do for a day and that was it". Another tray assembler reported, "They don't give you too much time to learn your job". One driver reported, "I've seen a lot of people come and go. The reason for it is that they don't train". A third tray assembler replied, "Jobs should all be taught the same way. The training isn't uniform. Where I am now, one girl taught me to do things one way; when she was off, another girl taught me to do things a different way". One current employee responded, "We're always short-handed and there is no time to train".

There is no planned cross-training conducted at the unit level for non-management employees. The Director was unable to state exactly how much training costs the firm as no formal training program exists.

Former employees were asked about the training they received. A 50 year old former counter server reported that she had spent, "About an hour with another girl. She showed me all around the place". A former salad girl stated, "I was given pictures that showed me how salads were supposed to look". She went on to state that this was the only training that she had received while working for the Company.

V Career Progression:

The Director of Management Training indicated that there is no formal promotion schedule for non-management employees. It is Company policy, however,



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that when a position becomes available, it is posted in the manager's office for all employees to see. It is Company policy that any employee can apply for a higher level position when it becomes available. The Director cited several examples where an individual had moved from dishwasher to a level of responsibility in supervision.

The wage structure of the Company is somewhat independent of the promotion system. Different job classifications carry different rates of pay although a person who remains in the same position will receive merit increases at the end of six, eighteen, and thirty months and seniority wage increases thereafter.

Thirteen of the 16 current employees indicated that they had received a wage increase since they had been with the Company. Three individuals who did not receive a pay increase had been with the firm for a period of less than six months. The great majority of the current employees felt that they were underpaid for the amount of work that they were doing or for the responsibility they held. Eight of the current employees reported that they were working on the second job since they had been with the firm. A tray assembler reported, "Maybe (the job) it's more of a transfer. I started to pack snack trays but now I rack full meals". Most of the current employees reported that they would like a promotion but many felt that their present position was a dead-end job and that they would need considerable training before they could move to another area where promotions might become available. overwhelming majority of the current employees reported that they did not know of any formal promotion schedule designed by the Company that would be available to them. Most did seem to be aware that the Company had a policy of promoting from within where possible.

Each of the <u>former</u> employees was asked if his pay had increased when he had been with the firm. One former waitress reported, "No, I should have received it. I was there eight months. They told me I was going to get it after six months, but it never did come". Another former employee reported that she did receive an increase in salary while working for the Company, but felt that it wasn't worthwhile, stating, "I didn't get that much". A former kitchen porter indicated that he did not stay on the job long enough to receive a merit increase. His payroll record had been misplaced by the organization which put him in a difficult financial position. He reported, "I had some kind of trouble. For some reason they didn't get my name on the payroll list



and I didn't get paid the first week. The second week I had some overtime coming, but they didn't pay me for that. They didn't give me a check. They had no envelope for me the first week. The supervisor had to pay me \$50 out of his own pocket for the first week. I don't think they really knew what was going on. I just got fed up".

Four of the seven former employees reported that they intended to stay with the Company when they undertook employment. The remaining three, two of whom were under 25 years of age, reported that they simply took the job with the Company until something better came along. Three of the former employees reported that they would be willing to come back to work for the firm if the opportunity arose. One individual reported that he was attempting to find a job as a waiter, but would not consider coming back to the Company. The remaining three former employees indicated that they had found new jobs outside the food service industry and would not return to the firm or the industry.

VI Fringe Benefits:

The Company offers group insurance for all employees but pays for a basic life insurance policy and medical coverage for the employee only. They do not contribute to additional coverage for a family. If a person is scheduled to work on a holiday but does not work, the Company has a policy that he would not get paid at all for that day. If he does work on a holiday, he is paid at a rate of time-and-a-half. The Company offers paid vacations on the basis of two weeks per year. This policy goes into effect after a six month probationary period. After ten years an employee receives three weeks paid vacation. Employees are offered their meals free of charge while on duty. If they work less than five hours they may take one meal, or if they work more than five hours they are authorized two meals. The Company does not have a profit-sharing program or a bonus program although it does have a retirement program that becomes effective after one year. The firm has a credit union, and educational opportunities are available in the form of reimbursement for courses taken and completed through the American Hotel and Motel Association. Employees also receive flight benefits, being employees of a wholly-owned subsidiary of a major airline. Employees with a long record of service are recognized by the Company through service pins. A service pin is given an employee after he reaches six months continuous service and each five years thereafter.



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Company recently developed a stock purchase plan for its employees but the Director reported that not many of the employees had taken advantage of it as the program had only been in effect for six months at the time of the interview. Nearly all of the current employees were aware of some of the fringe benefits offered by the Company. Nearly everyone mentioned the insurance coverage, and the flight benefits were foremost in the minds of most of the current and former employees.

VII Company Development:

The Director of Management Training felt that the Company's policy will change with respect to the training of non-management employees. He reported, "I think it's got to change. I think many of the top people in our Company are becoming aware of the high cost of turnover at the non-management level. Not only is the cost a cost in dollars and cents but it causes chaos and lack of control. Many of the units will be rebuilt, and we hope that there will be better working conditions. We hope to make all the facilities better and build some training rooms and some interview rooms as well".

The current employees were asked if they felt the food service industry was respected by the general public. The responses were varied, being somewhat equally divided between those who felt that they couldn't offer an opinion and those who had a definite sentiment. A flight line driver reported that he did not feel the industry had the respect of the public as he said, "They fool the public in their preparation. They (the public) would't pay for it if they saw the kitchen". A tray assembler felt that the industry was respected and, "It's decent. Strangers are impressed when they walk around our kitchen". A 35 year old flight line driver felt that his position had the respect of the general public as, "Yes, because we are inside the airplane. We are supposed to wear a uniform. That helps the image". Most of the other current employees felt that their job had the respect of the public with the exception of some of the younger employees who were not visible to the public. An 18 year old dishwasher stated, "Nobody knows about it". Nearly all of the current employees felt that their jobs had the respect of other employees in the unit where they were located.

Each of the current employees was asked what could be done to raise the image of the industry. The responses included a raise in wages, more considerate supervisors, and supervisors who were of the same ethnic background as the



non-management employees. One female employee felt that things would be more pleasant if music was piped into the kitchen.

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Each of the former employees was asked why he terminated employment with the Company. One female employee requested that she be changed from the night shift to the day shift as she had been robbed one night while waiting for a bus to take her home. When the supervisor refused to change her to the day shift, she terminated employment. Another female employee reported that she had been lifting heavy blocks of ice and caught cold. The next morning she called in to say that she was sick and was given a difficult time by the person who answered the phone. She never went back to work. Another female employee responded, "We were supposed to be allowed 30 minutes for a break and I was taken off my break to go back to work. I thought this was very unfair". A 20 year old college student who was working on a full-time basis while putting himself through school offered his thoughts on attracting young people to the industry. He stated, "The Company is good, but not tailor made for the people. Young people can't see a future with this Company". He went on to say that he found a better job with better hours as far as he was concerned and this was the reason for his leaving the Company.

The Company appears to be an attractive organization in terms of fringe benefits offered, although many such benefits do not apply for the first three months of employment. The flight benefits are prominent in the minds of many employees and can be a definite attraction to individuals who like to travel. The Director of Management Training indicated that the Company is quite concerned with the physical working conditions as well as the psychological conditions in each of the facilities. A definite attempt is being made on the part of the Company to insure that new facilities will be appealing to non-management employees as well as being functionally efficient.

The Company hires many mentally and physically handicapped persons which is indicative of their social concern. The Director indicated that the Company is making a serious attempt to promote to supervisory positions persons of the same ethnic background as the majority of the non-management constituency working in any given location.



Company No. 13

General Background

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The Company operates a variety of food service facilities including restaurants, snack bars, and airline terminal facilities. They employ approximately 8,000 persons, 30 percent of whom are non-white. Interviews were conducted with the Company Personnel Director and 21 employees at three locations.

Sixteen of the 21 <u>current</u> employees were male. Their ages ranged from 19 to 68 years, with four persons under the age of 25. Only eight of the 21 persons had graduated from high school. Ten <u>former</u> employees were interviewed by telephone, five of whom were male. The former employees' ages ranged from 18 to 66 years, and six of the ten completed high school. Three of these six reported having some college experience.

I Manpower Identification:

The Company Personnel Director revealed that he was having difficulty in attracting and retaining persons to work particularly in the positions of cook, waiter, and utility man. Although he did not know his exact turnover rate for non-management employees, he thought that 50 percent per year was realistic. He blames the high rate of turnover on lack of communication between local managers and employees, and disavows the oft stated malady of low wages as an important factor in causing turnover. He noted, however, that his turnover rate is much lower in the Company's luxury class specialty restaurants where a more elegant atmosphere exists, and check averages are considered to be high.

The Company obtains most non-management food service personnel through contacts by current employees, newspapers, and unions. The central personnel office screens all applicants. Personal references are requested, but they are not always checked. The Company does not require a physical examination as a condition of employment.

Twelve of the 21 current employees reported that they had held previous jobs in food service. Most left their prior job due to poor or long working hours or low wages. Most of these workers learned of the job with the Company through friends or through newspaper advertisements. None of the 21 current employees held a second job at the time they were interviewed.

Eight of the ten <u>former</u> employees had worked in food service prior to Joining the Company. None had held a second job while working for the firm. Only two had received any previous formal training in food service. The responses followed no definite pattern when the former employees were asked how they became aware of their jobs with the Company. All were required to file an application form, and all but one person had an interview. None of the ten was required to take a personnel test.

II Job Environment:

Although many persons felt that the Company was a good organization for which to work, an equal number felt it was not. Similarly, the responses varied when employees were asked about the disadvantages of working for the firm.

Most of the employees seemed to feel that the Company did not have their interests in mind. As one employee said, "Yes, it's a pretty good organization, but it's hard work to get to the top. There are a couple of 'high priced' executives, and the rest are slaves".

III Orientation:

The Company has no formal orientation program. The central office, in the screening process, informs applicants of wage increments and promotions available to them. Descriptions for all jobs have not been written due to the wide diversity of the Company's operations and non-uniformity of food service positions. Each new employee receives a personally signed letter from the president shortly after he commences work, welcoming him to the organization. The Company presently has film strips for one phase of their operation which new employees view. The Personnel Director hoped that this would give the new worker a sense of belonging to a group and an idea of what was expected of him on the job. He hoped to have an orientation check list developed for all unit managers and supervisors in the near future.

When the ten <u>former</u> employees were asked about their orientation period, six of the ten reported having received full information about their jobs. One of the other four responded, "I was handed some leaflets. I was thrown in half blind". Seven of the ten persons were not introduced to their coworkers, and six of the ten were not given a tour of the operation. Most were not informed of benefits and wage schedules, since this responsibility



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seemed to be shifted to the unions.

IV Training:

The Company has no formal training program for non-management personnel, except for their specialty restaurant employees. In this case, film strips are used. For other operations, the Company uses on-the-job training with experienced employees acting as the trainers. Wage increases are not necessarily offered an employee after training, and employees may be required to change their location.

Although the Personnel Director revealed that he had a budget of \$91,000 for the year's training, he was new on the job and was still in an adjustment phase so far as training was concerned. He also stated that he would be receptive to a government subsidy for training if the Company and the government could agree on policy. He was rather skeptical of government control. Some assistance with training is received from the union with which the Company is affiliated.

Nearly all of the current employees felt that they had not received any formal training. Many persons reported that they were relying on previous experience rather than training to help them perform their duties. Some employees reported having no training or experience at all before being put on the job. Many of the interviewees felt that a definite improvement in training new employees would be for the Company to give a new worker more time to learn his job. The employees seemed to think that their training was adequate for them to perform their jobs only because of their previous food service experience. Many persons felt that their trainers were somewhat interested in their progress, but others declined to comment on this question.

Nine of the ten <u>former</u> employees interviewed reported that they received no training from the Company whatsoever. Many felt that their experience was inadequate to prepare them for their job and their supervisors were unsympathetic.

V Career Progression:

There is no Company-wide promotion or wage schedule. This deficiency was evidenced by the fact that only five of the 21 employees interviewed had

held a previous position with the Company. Most felt that their wages were too low and that their pay increases were due primarily to their union affiliation. One employee stated, "... you make only \$60 a week. I have a mind to quit. We work very hard. They don't even pay overtime". Many of the employees did express hope that they would be promoted sometime in the future.

The majority of those interviewer reported that they had planned to make a career of food service. However, the remark that they were "too old to do anything else" was common.

Most of the <u>former</u> employees interviewed had taken their jobs with the intent of making a career of food service. However, they left their jobs for various reasons such as low wages, long hours, and disagreements with co-workers. One woman reported leaving because the other women on the job, "talked like longshoremen". Only one of these persons took another food service job after leaving the Company.

VI Fringe Benefits:

The Company provides its non-management employees with some fringe benefits including paid holidays, free meals on duty, and hospitalization and health insurance through the union contract. The Company has no profit-sharing program, bonus plan, and does not offer educational benefits. They do not provide any transportation for employees to or from work. However, through union agreement, the Company provides a travel allowance for those employees who must commute to airport locations. Employees having long service records are recognized with service pin awards, but there is no definite tenure schedule for such recognition.

Most of the <u>current</u> employees gave recognition to the union for any benefits they received, although none of the employees specified their benefits.

VII Company Development:

The Personnel Director felt that the industry is suffering from a bad image which he blames on its forebearers. He said that the lack of human relations and training deters many prospective young workers from entering food service.

The current employees seemed to verify what the Personnel Director



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indicated in that many of them felt that neither the industry nor their jobs had the respect of the general public. They further expressed the opinion that the image of the industry could be raised by paying higher wages and by training new employees.

The Personnel Director seemed committed to a sound program of audio-visual aid use in training. Although the Company has a large number of Spanish-speaking employees, it has done nothing in the past to aid them in learning English except to point out available local school courses. In the future the training program is to include films in spoken Spanish.

Although many of the Company's food service positions were not linked to career systems, the Company offers a better than average opportunity to their cooks and chefs. Perhaps in the future, the efforts of the Personnel Director and the union can be combined to improve the Company's career progression system as well as fully developing their training program.

General Background

Company No. 14 is primarily engaged in operating hotels although nearly 50 percent of all revenue derived stems from food and beverage sales. They employ 14,000 persons of whom approximately 6,000 are in food service. The Company is international in its operations, and many of the employees are Spanish speaking, black, or Oriental. The hotels are primarily staffed by persons indigenous to the area where the hotel is located. The corporate goal is to develop quality hotels and provide the best accommodations and services to travelers. Three members of the research team visited the Company head-quarters. Facilities were observed in two major cities, and employees were interviewed at three of the Company hotels.

Eighteen current employees were interviewed, of whom ten were male and eight were female. Nine were white, three were Oriental, five were of Spanish descent and one was black. Ages ranged from 20 to 65 with six persons under 25 years. The educational level ranged from seventh grade to junior college graduate. Interviewees had been employed by the Company for a period ranging from 17 days to 31 years, 11 of the 18 having been with the Company one year or longer. Positions held by the interviewees included: pantry girl, banquet waiter, dishwasher, waitress, busboy, hostess-cashier, bartender, assistant pantry cook, room service waiter, and head waiter.

Members of the research team also contacted six <u>former</u> employees to gather their impressions of their experience in working for the firm. Five of the six persons contacted were female and one was male. All were white and their ages ranged from 22 to 45 years. Five individuals indicated they had received a high school diploma and three of these had attended or were presently attending college. All females contacted had worked as waitresses and the male had been a waiter.

I Manpower Identification:

The Director of Personnel for Company No. 14 indicated the Company has difficulty in obtaining and retaining non-management food service personnel. He reported the most critical area in this respect is the steward's department



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which has the responsibility for sanitation and the cleaning of dishes, pots and pans. In addition, banquet personnel is an area of extremely heavy turn-over. The Director indicated the reason for high turnover rate among banquet waiters is that banquet business is unpredictable and it is not always possible to provide these employees with steady employment.

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The overall turnover rate for hourly food service employees is over 100 percent a year. Primary reasons for voluntary termination included better location, dissatisfaction with job, dissatisfaction with working conditions, and a large percentage of unknown reasons, as determined by exit interviews.

The Company does not have any educational requirements for non-management employees, nor does it consider a prison record a bar to employment. The Director did indicate that it depends on the seriousness of the crime and the frequency with which the applicant has been convicted as to whether or not he will be hired.

The Company relies on current employees as the major source for obtaining non-management personnel as vacancies become available. Other sources include public employment agencies, union ranks, and newspaper advertising.

The Company operates on a decentralized basis, therefore, there are no corporate policies pertaining to all aspects of food and beverage operations or personnel-employment administration. All applicants are interviewed and hired by the department head in the department where the job vacancy exists. In those hotels that have a personnel manager, this person will interview the job applicant for screening purposes.

The Company requires a formal job application and the corporate headquarters publishes a recommended form. Individual units are free to change the form to fit their particular needs. The applicant is not required to take any personnel tests nor is he required to submit any personal references. All applicants are asked to submit the names of prior employers, but such references are rarely verified.

The Company does not require a physical examination as a condition of employment, nor is there a requirement that an employee receive an annual physical examination other than for compliance with existing law.

The majority of the <u>current</u> employees interviewed indicated that their prior occupation had been outside the food service industry and that this was their first exposure to the field. When asked how they became aware that a job was available with the Company, all of the employees indicated that they had either heard about the job from a friend already working for the organization

or they had walked in seeking employment. Most of the current employees indicated they had accepted the job because it was the first one offered to them. One of the respondents replied that she had heard about the job over the radio as the hotel had been struck by the union and that they were looking for people to fill vacancies.

Only two of the six <u>former</u> employees had been employed in the food service industry before beginning work for the Company. One had previously been a busboy and the other had been a waitress. Of the remaining former employees, two had been secretaries, one a salesgirl, and the fourth had never been employed before. Only one of the former employees had received any prior food service training and that had been a high school homemaking course.

Two of the six former employees had walked in looking for a job, two had been sent by the union, and two had heard about possible openings from friends already working for the hotel. All six indicated they had been required to complete an application form before being hired and five of the six indicated they had received an interview.

None of the current or former employees had been required to take any personnel tests nor had they been required to list references.

II Job Environment:

Many of the <u>current</u> employees felt that their job environment was far from satisfactory and that working conditions could definitely be improved.

Several indicated dissatisfaction with scheduling, either not working a full week, being understaffed at certain times and overstaffed at others, or split shifts dragging out the day to ten or 12 hours although actual working time was eight hours. Two current employees complained about the poor quality of food served in the employee cafeteria.

Several persons complained that their fellow workers left a great deal to be desired, and four indicated they were not at all pleased with the management's attitude. They felt management's only concern was to make a profit. This, they thought, caused management to be extremely insensitive to the employee's problems.

Several of the <u>former</u> employees contacted indicated they also had been upset with management's apparent lack of concern. Two of the former employees had left the organization because of reduced work shifts or uncertain schedules from week to week.



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III Orientation:

The Director of Personnel indicated that the Company has been primarily concerned with their management development training program and as a result has not accomplished much in regard to orientation of new employees at the non-management level.

Although there is no corporate manual encompassing job descriptions in the food service realm, individual hotels do have job descriptions that they show new employees. The Company has a small Company handbook that is provided every new employee, and in addition, the individual hotel is required to have a handbook designed to acquaint the new employee with the specific features of the property where he is working. It was determined by the research team that not all hotels had their own handbook although a number of employees interviewed had received the corporate handbook at the time they assumed employ-The Company does have an orientation program of sorts. The program consists of the corporate handbook as well as slides, tapes and film strips designed to give the new employee an introduction to the Company, a history of the Company, and a history of the specific location in which he will be working. The Director indicated that he has not done as much with this in the past as he hoped to do in the future. Many new employees at various locations indicated they had never seen the film strips or any other material other than the handbook and job description given to them by the individual hotel facility.

The six <u>former</u> employees contacted all indicated they had not been introduced to all their co-workers when they started nor had they been given a tour of the organization. All reported that they had received a tour of their duty station.

Five of the former employees responded they did not feel they had received adequate information about their job, and two of the six reported they had not been apprised of the employee benefits offered by the Company.

IV Training:

The Director of Personnel stated that the Company has no formal training program for non-management personnel. The Company is now about to embark on a formalized training program for management personnel but nothing is contemplated along these lines for non-management personnel. There is an apprenticeship



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program for cooks under the guidance of the Committee of Chefs which the Company has developed. This group includes the chefs and cooks at various hotel properties within the organization. The length of the apprenticeship program for cooks generally ranges from two to three years. There is no planned cross-training for non-management personnel. Since there is not a formal training program, the Company has no idea how much training costs them.

The Company did not have a Training Director although the Director of Personnel did report that the Company was hiring a Training Director as of September, 1969. His main task is to develop an orientation program for all employees, and then to focus on the management training program. The Personnel Director added that in the long run the Company would definitely have to develop a formalized training program for non-management food service personnel but, "how soon remains to be seen".

As a result of the lack of formalized training, the burden has been placed on the individual unit supervisor or department head to train new employees. This has resulted in almost 100 percent on-the-job training, with no particular schedule, or reference to formal standards.

Of the 18 current employees interviewed by the research team, three indicated they had received some previous food service training.

Many of the employees stated that they had received no training whatsoever for their present position other than being told to watch someone else perform the job and then to do the job the same way.

Several of the employees stated there were several slack periods during the day and these periods could be used for training. None of the employees felt they had been cross-trained for other jobs in the organization although they were certainly interested in receiving such training. Again, several of the employees felt that the slack periods could be used for this purpose.

Of the six <u>former</u> employees interviewed, only one indicated she had received any formal training from the Company. All of the former employees stated they had simply been put on the job and told to follow someone else around to learn what was required of them. Several commented that they had received a general orientation to the hotel and their duty station, but nothing more.

V <u>Career Progression</u>:

The Director of Personnel stated that the Company has no guideline designed



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to aid individual units in informing applicants of any wage increments available to them or any promotion schedule that would be open to them. Although there is no formal cross-training the Company attempts to promote from within when-They do not have a promotion schedule for non-management personnel and have no definite wage schedule, although merit increases are awarded when they are warranted.

It was stated that over two-thirds of all Company turnover appears in the first six months an employee is with the Company. The Personnel Director said the first year is critical and something has to be done to retain employees for this length of time. He stated simply, "The longer an employee has been with us, the greater the probability he will stay with us".

Seven of the current employees in erviewed indicated that they did not expect to make the food service industry a career. These people had received more education than their counterparts who were interviewed. By and large, the older employees who had worked a considerable length of time in the industry felt that they would stay in the industry.

The majority of the current employees interviewed felt that the Company was not interested in their future but only concerned with getting the job done from day to day. Those who felt the Company did have an interest in their future development stated it was strictly the unit manager as an individual, not the Company per se, who took an interest in them. The majority also felt that they had little chance for advancement within the Company.

Of the six former employees interviewed, only one indicated that the Company had mentioned that there might be a possibility for advancement.

VI Fringe Benefits:

The Director indicated that the Company has a hospitalization and health insurance plan. They also offer paid vacations, meals on duty, a pension plan in some hotels but not as company policy, free uniforms, tuition for courses taken and completed from the American Hotel and Motel Association, and free rooms with discounted meals for the employee's family at any hotel in the chain when on vacation or at other specified times. The Company does not have a profit-sharing plan or bonus program of any sort for non-management employees.

The current employees interviewed were asked about fringe benefits and the great majority indicated that they received no benefits from the Company



other than what the union had gained for them. Several of the employees indicated that there was no sick pay available to them and they were dissatisfied with this feature. Only a few of the employees were aware of the fact that hey could stay at other hotels free of charge.

VII Company Development:

The Director of Personnel indicated that the future growth of the industry will require reaching further into the areas of unskilled or underskilled labor to find a market for service employees. He feels that training must be greatly improved. The Company is starting to develop employees' cantinas, better locker rooms, air-conditioned kitchens and provide better uniforms that are both functional and attractive.

The majority of the current employees interviewed agreed that working conditions and wages have to be improved in order to attract more people to the industry. Although most felt this way, very few could give concrete ways to improve the overall picture.

This Company has done little with respect to training non-management food service employees in a formalized manner or in developing a definite career promotion schedule. This may be due in large part to the heavy unionization of the food and beverage employees in the properties located within the U.S. The Company is embarking on a management development program, and to this end, has hired a training director who took office in September of 1969. In addition to his supervision of the management development program, the training director will be responsible for developing an orientation program that will be applicable to all employees.

The interview with the Director of Personnel for the Company was valuable from the standpoint of finding out what the Company does and does not offer. One of the hotels surveyed was a new site, in operation only six weeks at the time of observation. One of the more articulate employees explained in depth the training program that was conducted for a period of two weeks prior to the opening. Any training that is conducted at the non-management level appears to be done only in conjunction with the opening of a new hotel, and not with the existing hotels, where new employees are brought into the food and beverage area at an approximate rate of 8-10 percent per month. The Director of Personnel



indicated that he feels it is inevitable that the Company will have to do something in the future to train non-management personnel to a greater extent than it is doing currently or has done in the past. He noted that competing industries offered higher wages and more fringe benefits. He did state that he felt that it would take some time for the Company to become heavily involved in such a program.

The Company does, in fact, offer a considerable package of fringe benefits, ranging from hospitalization and health insurance to free rooms and discounts on meals, for employees and their families staying at other company The conversations with current employees revealed that they had a considerable respect for the property in which they worke , provided that property had a good image with the general public. A number of conversations brought out the fact that the employee was happy working for the Company in the location where he was employed as it was generally considered to be one of the finest hotels in the area. Despite the lack of any formalized training program, and the apparent inadequacy of the communication that extends from management to employees, the majority of employees appeared to have a favorable impression of the Company as a whole. A number of employees mentioned that they felt they enjoyed working for their bosses or supervisors, and that their supervisors were knowledgeable and sensitive to their needs. This did not hold true in every case, but it was interesting to note that where one employee mentioned that he enjoyed working for a given supervisor, other employees tended to mention the same thing. This could lead one to believe that if a supervisor has the general reputation of being sensitive to his subordinates, this fact is well communicated to the subordinates and leads to a greater degree of work satisfaction.

With the exclusion of new hotels which are opening, there appears to be a considerable void as far as formalized training programs are concerned within the Company. It appears to be almost 100 percent on-the-job training, left to the discretion of the department head or the job incumbent in a position to which a new employee is aspiring. This is often done in a haphazard manner, and the success of any training along this line depends upon the since ty and interest of the job incumbent or of the department head.

The interviewers were distressed that they were not able to contact any former employees in a major western city where the Company has several hotel properties. This is thought to be due to the high mobility of employees on



the West Coast and is confirmed to some extent by the difficulty of contacting employees of another company that was also surveyed.

The working conditions in the hotels appear to be somewhat favorable. A number of the current employees indicated that they were pleased with the working conditions. The Personnel Director stated that the Company was intent on making conditions in locker rooms much better and in installing employee canteens to make these areas pleasant and attractive for employees. At the new hotel, the kitchen has been air-conditioned to some extent, and there was an original intention to carpet the kitchen area, although this latter aspect was discarded when the local board of health objected.

A number of employees mentioned the difficulty of scheduling a definite number of hours or working a predictable work week. In particular, banquet waiters appeared to suffer from irregularity of scheduling, along with room service waiters, busboys, and barboys. A dishwasher also indicated that there were peaks and valleys in his job and when he worked he worked very hard, but that he did have slack periods in which he could be doing something else. This would lead one to conclude that during slack periods, employees who are not working at capacity or have some time available could be cross-trained in other positions, thus adding to the flexibility of the food facility operation, and perhaps providing for greater ease in scheduling employees on a predictable This situation could lead to work satisfaction and provide a stable work week and vacation schedule. Since the Company is heavily unionized, most of the employees interviewed were members of the union. Those persons who were non-members of the union were either part-time summer help, or had been employed by the organization for a period less than 30 days, not yet assuming union membership. Union members said that any wage increase they had received or expected to receive would derive from union efforts, and that very little was done by the Company on a merit or seniority basis. Several persons expressed the desire to receive additional training, while others felt that they could have been trained more adequately than they were at the time they undertook employment.



Company No. 15

General Background

The Company is primarily a fast food operation which operates many of its own units, although expansion has occurred through agreement with franchisees. The organization is somewhat unusual, however, in that the total number of Company-owned and operated units exceeds the number of franchised units. The Company operates in 72 cities in 11 states, and has more than one property in many of the larger cities. They anticipate that they will double their size in terms of numbers of units in the next four years.

All new units to be constructed will be built using a different layout and design concept than those that were constructed when the Company first began operation. The fast food service concept will be maintained, but inside sitdown feeding tables and booths will be included in the facility housing so that the carry-out image of the firm will soon be a thing of the past. Alteration of existing properties to meet the new design concept is also contemplated.

The Company focuses considerable attention on management development and training programs and holds seminars several times a year for managers. Attention is now being focused on non-management development programs, although progress has been slow in this area. At the time of the interview, there was no policy on wages, promotion schedules, or fringe benefits. In most instances, these matters were left to the discretion of the unit manager. Eighty percent of the non-management employees of the Company are considered part-time workers working less than 20 hours per week. The Company considers persons working in excess of 20 hours per week to be full-time employees.

I Manpower Identification:

The Assistant to the Executive Vice President for Personnel Operations and Training stated that the firm does experience difficulty in obtaining and retaining non-management personnel. He estimated that the turnover rate for non-management positions approximates 300 percent per year. Turnover is a seasonal difficulty. It is highest in the fall when many part-time employees terminate employment to return to school. Turnover also varies geographically, as different areas are prone to more labor turnover than other areas. The Company has two non-management food service positions which the assistant



entitled, "Porter" and, "The All-Purpose Man". The porter's responsibility lies in the area of sanitation and maintenance, whereas the all-purpose employee is expected to produce food stuffs and/or serve them to the patrons. The Assistant indicated that he feels the reasons for labor turnover in these positions is due to the low pay and the odd hours of work required. He related that the Company relies primarily on part-time employees, many of whom work for only two or three hours per day over a lunch or a dinner period. Many persons, he stated, seek more stable and longer term employment than a three hour shift or a split shift which might total six or seven work hours a day, but range over a ten or twelve hour time period.

No formal educational level is required of non-management employees and a prison record is not a bar to employment. The Assistant stated, "Although we've been stung in a couple of instances, we've had good luck with parolees". He reported that parolees are required to have employment prior to their release and that the Company has been approached on several occasions by relatives or friends of prospective parolees requesting employment for the person to be released. The Assistant is pleased with the success the Company has enjoyed in this regard.

Primary resources for obtaining non-management employees are schools and public employment agencies. The Company also advertiges in newspapers, over the radio, uses help wanted signs in the windows of the units, and has distributed help wanted leaflets in the carry out packages of food purchased by the customers. Welfare agencies have been used frequently in the past.

Twenty current employees of the organization were interviewed over a three-day period. Of this number, 14 were male and six were female, 18 were white, one was black, and one was of Oriental extraction. The ages of the interviewees ranged from 15 to 57 years, with 16 persons being under the age of 25. Formal educational background ranged from the seventh grade to a college graduate, with only three individuals reporting that they had not received or were not in pursuit of a high school degree. The length of service of employment with the firm ranged from four weeks to four years, with only six persons reporting that they had been associated with the firm for a period of longer than one year. Each current employee was asked what his job title was. The responses varied, and the remarks indicated that the employees were unsure of any formal job title. Responses included, "Window Cashier", "General Worker", and "Regular Employee". One employee replied, "I do everything. I don't know what you call it".



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Nine of the current employees reported that they had held previous positions in the unit but for the most part the other positions had been lateral duty station changes. The 57 year old employee reported that he had completed training to become night manager of a unit and had worked in that capacity for some time until he had a misunderstanding with a "company man", at which time he was demoted to porter. Nine of the current employees stated that they had no previous occupation prior to being employed by the firm, and only three of the interviewees who had previous work experience had been employed in the food service industry elsewhere. Twelve persons stated that they became aware of an employment opportunity through friends, six had seen window advertisements in the unit in which they were working, and two had spotted newspaper advertisements.

Six former employees of the Company were contacted of whom three were male and three were female. Four former employees were white, one was black and one was Oriental. Ages ranged from 16 through 30 years, with five of the former employees under 25 years of age. Two of the former employees had graduated from high school, two were attending high school, and two reported that they had finished the ninth grade but had no intention of returning to school cr continuing their education. The range of employment for the six former employees was two weeks to slightly over one year. Two of the six had worked less than one month, and only one person had worked for more than one year. Two former employees are originally told about a job with the Company by friends, three persons responded to a window sign, and one person read a help wanted advertisement in the newspaper.

II Job Environment:

Each of the <u>current</u> employees was asked if he felt the Company was a desirable organization for which to work. The younger part-time employees tended to respond that they did feel the Company was a good one, primarily due to the fact that they were making extra money which was important to them. Each of the three persons over the age of 25 replied that they did not feel the Company was a particularly good one for which to work. The 57 year old Oriental stated, "There's no job security and the Company doesn't care what happens to its employees". Another replied, "No, they don't treat you the way they should. You do so much for them and yet they want you to do more. They are never pleased". The third current full-time employee responded, "No and that's because there's no union. You don't have any rights here and they



are unstable jobs".

Four of the six <u>former</u> employees replied that they did not feel the Company was a good company for which to work. One former employee stated, "My supervisor changed every night. I never knew who I was going to be working for". Another employee, a high school student, reported that he wasn't allowed to work unless it was a very busy day. In his words, "The manager asked me to come in every day but when it wasn't busy, which was quite often, I never got to work. He wouldn't let me punch in". Another former employee, a female who had quit school at age 19 stated, "They cheated employees out of hours and they would send you home early. Not only that, but they paid some people more than others. I was laid off, and I was told the reason I was laid off was because business was slow. Yet at the same time I was laid off, they were hiring more employees. So I felt like I was gypped out of a job. I just came into work one day and was told I was laid off".

Employees who tended to respond favorably to the question, frequently tied their remarks to the fact that they liked or had respect for the local unit manager, and got along well with other employees in the unit. The impression was received that employees judge the quality of the organization in its entirety by the conditions that exist in the local unit and their individual work situations.

III Orientation:

The Assistant stated that all job applicants are required to complete and submit a formal job application before being placed on the job. In addition, applicants are personally interviewed by the manager of the unit or his designated assistant. The Company does not require the use of personnel tests, and personal references are requested on the application form. The Assistant indicated that he is aware that personal references are checked infrequently. The Company does not require a physical examination for non-management employees prior to assuming employment, nor is there an annual physical examination other than to comply with existing state or local legislation. He indicated that it is Company policy to apprise all applicants of wage schedules, although he stated the wage schedule is quite flexible and completely informal. In most instances raises in pay are offered at the discretion of the unit manager.

The central headquarters office was establishing an hourly wage program



that would lend itself to the development of a uniform payroll structure. The Assistant indicated that differentials in pay would exist for different working shifts - that is, persons working evening hours would receive slightly greater compensation than persons working during the day. The proposed structure would offer automatic pay raises after one month's continuous employment and after three, six, and nine months continuous employment. Wage increases after nine months would then be on the basis of seniority and merit.

The Assistant indicated that job applicants are supposed to be apprised of the job description of the position for which they are applying, and are informed of fringe benefits offered by the Company. Fringe benefits apply only to full-time employees of the Company which eliminates 80 percent of the total employee complement of the organization.

New employees are offered an employee "handbook" which consists of two pages of mimeographed material of general information concerning the firm. The Assistant indicated that the orientation booklet was being revised and lengthened to include more information. The Company does not have a policy of providing transportation to and from work for any non-management employee.

All of the current employees indicated that they were required to complete a job application prior to taking employment with the firm, and all reported not taking a personnel test. The responses were mixed when asked if they were given a complete and accurate description of the work that they would be performing. Some persons indicated that they were told what they would be doing and what was expected of them, but others stated that they were just taken to the job and told to watch and pitch in a little. All current employees reported that they were personally interviewed by one of the supervisors of the unit, although a number of persons reported that the interview was short or consisted only of being handed an application form, told to fill it out, and given the employee handbook.

All six former employees reported that they had to complete an application form when they applied for the job. One former employee reported that she did not receive a personal interview, but simply completed the application form, and was told to report back for work the next day. None of the former employees was required to take a personnel test and three of the six indicated that they did not receive full information as to what the job entailed. Only three of the six former employees reported that they were shown around the unit and had explained the various positions in which they would be working.



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IV Training:

The Assistant indicated that employees are given all tools with which to work and that in most cases uniforms are provided. Female employees are given a dress which they are required to launder themselves. Male employees are given a shirt, a tie and a cap but do not need to launder the shirt themselves.

The Assistant indicated that the Company had a very effective management training program but was just beginning to focus on a training program for hourly personnel. He stated that he hoped the full program would be developed and in effect by the spring of 1970. He indicated that training for non-management positions would probably last for a two week period. Unit managers will act as instructors and training will include both on-the-job experience and periodic meetings and discussions between the unit manager and the trainee. Refresher training for old employees is also contemplated. The Company has a limited on-the-job training program now in effect in some of the units, and progress reports are compiled on employees. The Assistant did indicate that the policy varied from unit to unit and the actual training that any employee receives depends in large part on the unit manager. He estimated that the current training program costs the Company an average of \$75-100 per trainee. He based this estimate on the cost of the unproductive time of the trainee and the time required by the instructor to train a new employee to a high level of competence. The Company has a position in its organization bearing the title of Training Director. All employees who are hired will be subjected to training for the proposed two week period. As there are approximately 25 to 30 nonmanagement employees per unit, and based on a turnover figure of 300 percent per year, the Assistant estimated that nearly 75 employees would be trained in each unit each year. This would be an average of three persons per unit in a training status each week.

The Assistant related that the training program sequence was contemplated to be two weeks in duration as 70 percent of all employees who leave the Company leave within the first two weeks of their employment. In addition to the position of Training Director, the Company will probably institute a position entitled Administrator for Training of Hourly Employees. Video-panasonic training material will be used and greater emphasis will be placed on orientation and training in both the Company-owned units and the franchised properties.



Only one of the current employees reported having any formal training in food service. He was a 35 year old porter who indicated that he had taken some food preparation courses at a boy's school. Three of the current employees reported that they received no training whatsoever, but were simply placed on the job, told by a co-worker what to do, and were expected to do it. teen current employees reported that they were given some training, either simply observing others doing the job, or being shown around the premises and being asked to return to work the following day. When asked if they felt the training was adequate for their job the responses indicated that the younger employees were satisfied with it. One male employee stated, "There's not much to it. They showed me how to do one thing and then I learned the other things by watching". Another person stated, "There was no real training program but I was told what I should and shouldn't do". One 20 year old black stated, "It was dull and too quick. If you didn't get it in two days you were fired". Another current employee related, "I was asked to come in the afternoon before I was supposed to start work. I was shown how to do everything but I wasn't paid for it. I didn't start getting paid until I came in the next morning to go to work". When asked what the disadvantages of the training program were, other employees replied in effect, "A lot of stuff you had to pick up on your own".

Pleasant aspects of the training they received included the patience and assistance of co-workers in showing the new employee what to do and where materials could be found. When asked what could be done to enhance the training program, there were several suggestions. One girl stated, "It would help if they held classes outside of working hours so you could go over things with the manager". Another female employee stated, "A manual would help. Sometimes the other girls forget to tell you things when they train you". A third person replied, "It would help if the supervisors assisted in training. Perhaps they should show a movie on how to do things". Thirteen of the 20 current employees reported that they did not feel their training was adequate to prepare them for any future job they might hold with the organization.

Each of the <u>former</u> employees reported that they had very little training for what they were expected to do. Two of the six stated that this was the reason that they left, they couldn't maintain the pace required to do the job during rush hours without some equipment orientation and try-out periods.



V <u>Career Progression</u>:

The Assistant stated that there is no definitely structured career system for non-management employees. The natural progression for one who is sincerely interested and has the initiative to want to advance with the Company is to move from the "all-purpose" position to assistant manager in the unit. He stated that approximately 15 percent of the unit managers or assistants were one-time all-purpose employees, and the Company was proud of this record. The Company plans to institute wage increases on a definite schedule in the future. Trainees will not receive a wage increase after training, as the training period would last two weeks, while the first wage increase was scheduled to be implemented one month after first employment with the Company.

The majority of the current employees reported that they were not aware of any definite promotion schedule with the Company. Several indicated that they thought possibly the next step up would be that of an assistant manager or a night manager. Three persons had held higher responsibility positions at one time but were now working as either an all-purpose man or a porter. Two current employees asked for their former position as all-purpose employees as they did not like the late hours involved in the swing manager's job. other person reported that he had had a "run in" with a "company man" stating, "All he ever asked me was how much we took in and how many people did not show up for work, and for the responsibility involved I figured I was better off in my original job". Twelve of the 20 current employees felt that the wages were fair for the work they were doing. Eight persons felt that wages were too low. One employee stated, "Many times you have to do the job of another person as well as your own". A female stated, "No, they're (wages) not fair, and it's primarily because of the small things, like having to stay an extra hour or two".

None of the six <u>former</u> employees reported that they were aware of any promotion schedule with the Company. Three of the six had received wage increases while they had worked for the Company, but one reported he, "didn't think it was very much". Another former employee reported that persons in the same unit doing the same job hired at the same time would be paid at a different hourly rate depending on whether or not the manager liked them.

VI Fringe Benefits:

The Assistant stated that fringe benefits apply only to full-time employees.



For the most part the only non-management full-time employee in each of the units was the porter's position. The Company offers a comprehensive hospitalization and health insurance plan. All units are open every day of the year with the exception of Christmas and Thanksgiving. Employees are given these days off but are not paid for them. Employees are not paid extra wages for working on other holidays such as Labor Day, Easter, The Fourth of July, and so on. All full-time employees receive one weeks' paid vacation per year regardless of the length of service with the Company. Non-management employees do not receive their meals while they are on duty in most instances as few part-time employees work over four hours a day. The Company has a profit-sharing program which is not contributory and matures in ten years. There is no recognition program for employees with a long period of service except the award of service pins but this is restricted to management personnel. Non-management personnel are not recognized in any manner.

Few of the <u>current</u> employees were able to list any fringe benefits offered by the Company. This was not unexpected since most of the interviewees were considered to be part-time employees. One porter did indicate that he was aware of health insurance and hospitalization insurance coverage.

None of the <u>former</u> employees was able to list any fringe benefits offered by the Company. They too had been in non-management positions and were considered as part-time employees when they had worked for the firm.

VII Company Development:

The Assistant stated that he felt his Company is experiencing some growing pains as they are expanding rapidly. He also feels that there is some optimism in his Company as it is now paying attention to some things that had been of little concern before. He stated, "Training is accomplished today but it is not very efficient. We need measuring devices at the end of the training period and check points along the way to measure the progress of the trainee. Our ultimate objective is to set up a consistent policy and system so that everything is spelled out".

The majority of the <u>current</u> employees did not intend to stay in the food service industry as they felt they could, "look for better things". Those individuals who were over the age of 25 years, or who had not completed high school, did indicate that they would probably stay in food service. Most of the younger employees felt that the food service industry had the respect of



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the general public, and that their job was respected by patrons as well as by other employees.

None of the six <u>former</u> employees had found employment in the food service industry after terminating their position with the Company. One former employee reported that she had terminated because she had had words with the manager of the unit but she understood that he had left, and she now wanted to return to the Company as she enjoyed meeting the public. The remaining five former employees had found employment in other fields, or had returned to school and were not working in any other capacity.



Company No. 16

General Background

The Company is a large organization serving the hospitality industry in the areas of motel accommodations and food and beverage services. approximately one-fifth of all the existing properties bearing the Company name. The remaining four-fifths of the properties are franchises. Rapid expansion of the motel and food and beverage services associated with each motel is planned in the future not only within this country but in Europe as well. Tn addition to the motel operation, the Company is about to open a fast food service operation which it also plans to franchise, but will retain several properties under parent ownership as well. The Company envisions considerable expansion of the fast food facilities throughout their parent-owned and franchised operations. They are opening a small number of restaurants, most of which are specialty houses. There are currently two such specialty houses in operation, and three are planned for the immediate future. Expansion in the area of specialty restaurant units is more limited compared to growth projections for motel units and fast food facilities.

The Company currently has 35 percent of its employees or approximately 6,000 persons employed in the food service aspect of their operations. Members of the research team visited corporate headquarters and spoke with the Director of Corporate Personnel. In addition, the research team interviewed 20 current employees in four different locations. Sixteen of the 20 persons interviewed were female, and four were male. Fifteen persons were black, and five were white. Ages ranged from 16 years to 42 years with seven persons below the age of 25. Of the 20 persons interviewed, one individual reported that he was attending college, three had graduated from high school, three were still in high school, and the remaining 13 persons had received less than 12 years of formal education. The range of time the employees had been with the Company was three weeks to seven years. Twelve of the 20 persons had been employed by the Company for more than one year. Positions held by interviewees included: six cooks, six waitresses, three cashiers, two busgirls, two dishwashers and one utility man.

Members of the research team also contacted five <u>former</u> employees of the Company through telephone interviews. Two of the five were male and three were female, three were white and two were black. The educational level of former employees ranged from the eighth grade to two years of college. Two of the five



persons had high school diplomas. The ages ranged from 17 to 44 years, with two former employees under 25 years old. The five former employees had worked for the Company for a period of time ranging from two weeks to nine months. Former employees had worked in the positions of hostess, cashier, dishwasher and cook.

I Manpower Identification:

The Director of Employment for the organization indicated that the Company does experience difficulty obtaining and retaining non-management food service personnel, but in his opinion, the problems that exist in this area are not as great in his Company as in the industry in general. He could not cite a specific turnover rate for the Company as the Company does not keep cumulative figures on turnover on a month-to-month basis. Instead, each individual unit keeps its own records which are submitted as monthly reports to the parent company. The Director disclosed that the Company's turnover figure for the month of May, 1969, had ranged from a low of 1.3 percent at one property to a high of 30.2 percent at another. The Director specified that the kitchen helper position is the area having the greatest rate of turnover. He stated that obtaining utility workers for the kitchen is not as great a problem as retaining them. Due to the very nature of the name "non-management job", the Company is forced to hire many part-time employees. Those employees who are hired on a full-time basis are often promoted within the organization as opportunities present themselves. The Director added that there was probably the least turnover among cooks. He went on to relate that the Company has had extremely good fortune in obtaining and retaining cooks, but confessed some perplexity with this situation since he personally felt that this position would have the greatest amount of turnover due to the hot and rushe' working conditions.

The Director felt one contributory factor to turnover within the corporation is that many people want to work for only a short period of time to get a little money for a set financial goal. Then they quit. The Company realizes that such turnover is costly, and everyone within the organization is focusing attention to keep labor turnover at a minimum. Monthly turnover figures submitted by each unit are carefully scrutinized. If the turnover figures for any one property are particularly high, the Director of Employment is the first one to contact the individual unit to ascertain the reason for the



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irregularity. If the high turnover persists, the Company sends out a team of staff members from headquarters to assist the unit manager in reducing his labor turnover.

The Company does not require any formal educational level of employees working in non-management positions. A prison record is not a bar to employment. Employment will be granted if a parolee is applying for a position which does not require bonding, or if the individual could secure bonding if necessary. Not all Company employees are bonded.

The Director indicated that current employees are the best source for obtaining labor for non-management food service positions. The Company attempts to work with schools, advertises in local newspapers, and has a considerable number of walk-ins. Only one to 3 percent of the properties are unionized. As a result, the union is not a major source of employees.

Employees receive a personal interview, and the Director of Employment indicated that he felt management at the individual unit is conscientious in speaking to employees in a formal interview. The probable reason for such compliance is that unit managers work on an incentive system. Thus it behooves them to employ good food service personnel so that production will be at peak efficiency and labor turnover reduced to a minimum. Essentially, the managers of the individual units share in the profits generated by those units. The Company does not require personnel tests of any sort nor does it require a complete physical examination prior to or during employment. All food service employees are required to obtain a health certificate to comply with state or local laws. Personal references are required of applicants when they apply for a job.

Of the 20 <u>current</u> employees interviewed, 14 individuals reported that they had worked in a job related to food or food handling prior to the time they took employment with the firm. Eleven interviewees reported that they learned of a position either through a relative or a friend, and seven persons reported that they had walked into the establishment actively seeking employment. One employee had answered a newspaper advertisement, and one was uncertain as to how she had heard about the job.

Of the five <u>former</u> employees interviewed, two persons had walked in asking for employment, two learned of an opening through advertisements in the newspaper, and one heard about the job through a friend. When applying, all five former employees stated that they had been required to fill out an application form, and four had received a personal interview from the unit manager.



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None of the five former employees reported that they had been required to take a personnel test.

II Job Environment:

The Director of Employment stated that there is no set wage and salary system other than a merit system operating in the Company. However, he felt the Company pays above scale according to local conditions and related that the Company is working on a definite wage and salary schedule for all positions. It is standard policy that an employee will receive two wage increases during his first year of employment. The Company is concerned with its image, and therefore it tends to pay above the prevailing wage scale in the area where the unit is located, hoping in this way to maintain a good reputation.

The majority of the <u>current</u> employees interviewed felt that the Company was a good company to work for, and were satisfied with their working conditions. Several interviewees indicated that the Company was more well known than others in the area, the working conditions were good, and the rules were strict. Several remarked that they liked the benefits they had been offered, as well as the fact that they enjoyed the association they had with other employees in the unit where they worked. Many remarked that the pay scale was not quite up to what they could be getting in another industry. Several cooks responded that the kitchens were not air-conditioned and the heat often became unbearable. Several individuals indicated that the scheduling was rather poor as they had to continually work on Saturdays and Sundays. One 36 year old cook was dissatisfied in that it was the third week he had worked without a day off. Four of the five <u>former</u> employees contacted indicated that they were dissatisfied with the low pay and the long working hours, which were their primary reasons for leaving the organization.

III Orientation:

The Company has an orientation program for new employees. There is a division of employee services within the firm. For each new property which is



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opened, members of the Division of Employee Services will visit the new location, inform new employees of Company history, the type and style of service offered, the manner in which it offers such services, the fringe benefits available to employees, and so on. Members of this division also return to existing units, although such a comprehensive program is usually not necessary as when they open a new property. Film strips regarding the history of the Company and the fringe benefits are available to franchises on a voluntary basis, but are mandatory for each unit owned by the parent Company. There is a visual aids department within the firm which sets up training programs for training of non-management food service positions.

The Company does not have job descriptions for positions within the food service area, nor do they plan to develop them. In Director of Employment indicated that a new employee is acquainted with what he is to do in an informal manner. He felt that such a system is better for training purposes, and an individual does not feel bound to a specific job by a formal description. He stated that an employee can be utilized for several positions within the food service operation as a result.

During the orientation period, employees are informed of fringe benefits offered by the Company. The profit-sharing program is explained in a little booklet that is presented to each employee. Rather than being a piece of literature explaining the profit-sharing system, the Company has designed a story in cartoon form which they feel is more appealing to and makes a greater impact on the employee. This cartoon booklet is easily read and is somewhat entertaining. Thus, it presents the profit-sharing program effectively the Director indicated that he felt that this is an effective way of maching new employees, so that they take a greater interest in the benefits offered by the Company.

In addition to distributing such booklets, members of the headquarters staff visit each location periodically. One of the tasks of the inspection team is to speak with new employees at each unit who have assumed employment since the last visit of the inspectors. The inspection team sees that careful attention is given to a new employee to insure that he is aware of the fringe benefits being offered by the Company. He is also encouraged to participate in any fringe benefits in which he is not already participating, such as the credit union, as one example.

When asked whether they had received full information as to what their



job entailed, three of the five former employees replied that they had, but two replied that they had not. When asked if they were introduced to their co-workers when they began work, all five responded in the affirmative. Three of the five former employees replied that they had been given a tour of the organization.

When asked if they were apprised as to whom and where they should report for work, four of the five indicated that they had been so informed but three persons were not told of wage increments that the Company offers. All five of the persons interviewed reported that they were not informed of any promotion that might be available to them.

IV Training:

When asked if the Company had a formal training program, the Director of Employment answered that it did not. A formal program is projected for January, 1971. At that time, the Company hopes to have in operation an elaborate training school for both management and non-management personnel. They are calling this school the Company University and will offer instruction in all areas of food management and service. The members of the research team also spoke with the Vice President and Director of Training who was in charge of developing this facility. This gentleman stated that the Company did have plans to train cooks, dishwashers, maintenance men and other non-management employees for a period of one to six weeks, depending upon the complexity of the position. The facility will be staffed by full-time instructors who are drawn from the field. The Company hopes to use both academic persons from teaching institutions, and individuals who have had some practical experience working in the parent or franchised properties of the Company. reports will be submitted on each employee. It is not anticipated that employees will be offered wage increases during the training program, but they will probably receive a wage increase upon completing the course. Director of Training further indicated that it was the unit manager who would actively seek out employees interested in being trained and send them to the Company University for their specific job training. Instruction will be given in both the classroom and the laboratory training stations. Director of Employment indicated that he felt the Company would have better trained employees once the formal training program began, and this would result in better retention. He thought once employees had received training



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other industries or restaurant organizations would try to pirate away the graduates. This was not a deterrent however, as the Company was combining training with attention to working conditions and fringe benefit packages to meet this possible challenge.

As mentioned, the Company does not have a formal training program for non-management personnel other than on-the-job training at individual locations. As a result, the Company has no idea what the training program costs to operate at the present time, nor does it have a system to determine the actual cost of training.

Of the 20 current employees interviewed, many of the respondents indicated that while there was not a formal training program, there was an informal program through which they became familiar with their job. Many of the remarks indicated that those interviewees were pleased with the informal training they had received, although the remarks indicated the current employees placed heavy faith on the friendship and sensitivity of supervisors and co-workers, rather than feeling that they had received any particular job skill.

Most of the current employees felt that by following someone else around on the job and being shown periodically what was expected of them, they obtained good insight as to what was expected of them. One person indicated, however, that her trainer had not been very pleasant with her and thus she had not enjoyed her training period. She went on to say that this was probably caused by the fact that she got the opinion from her trainer that she was there to take away the trainer's job. Several of the employees also indicated that they felt that the training would be much more beneficial if there were some pictures or written instructions that they could look at, and actually see what was expected of them. They felt the present system was a little ambiguous in that one person expected one thing and another person expected something else. Several employees indicated that they had taken part in training other employees of the Company and this role as trainer had been one of their more gratifying tasks.

Three of the five <u>former</u> employees contacted indicated that they had not received any training whatsoever when they began employment with the Company. The fourth person, a dishwasher, had received nearly five hours of instruction on how to operate and repair the dish machine. The fifth former employee, a cashier, responded that she had had a one week training period with the Company during which time she learned how to fill out the daily reports and other items required by that position.



V Career Progression:

The Director of Employment stated that job applicants are not apprised of promotion schedules available to them as a matter of policy. If the employee is conscientious and asks, however, it would be explained to him by the unit manager. The Director further indicated that he does not believe the restaurant or unit managers take time to explain the promotion schedule if the employee is not interested enough to ask. At the present time, a formal promotion program does not exist for non-management food service employees. The Director stated that the Company trys to place employees in the geographic location where they want to be, and that most of the managers have established good rapport with their food service employees by convincing them that management is genuinely interested in their future. Consequently, an employee who is interested in being promoted within the organization is given every opportunity to observe and train informally for the position in which he is interested, as far as conditions allow. The wage structure of the Company is independent of the promotion system.

The Company recognizes long service records of its employees through service award ceremonies in which certificates or service pins are presented. An employee who has been with the Company for one year receives a certificate and after two years receives a pin. The Company awards a new pin for every year that the worker has been with the organization. On the pin is inscribed the number of years that the employee has worked for the firm.

When asked whether they felt the Company had a genuine interest in their future, some of the employees were noncommittal. Four persons indicated that they could not respond to the question, six persons stated that the Company did not have an interest in their future, but ten persons did feel that the Company, at least to some extent, had an interest in their future. Several of the current employees indicated that they were planning to leave their jobs with the Company as there was not much future in the industry for them, as the pay stops at the minimum wage level. When asked if the Company had a definite promotion schedule for their job category, 14 of the 20 persons interviewed indicated that it did not or at least they were not aware of one. The remaining individuals stated that they thought a definite promotion schedule existed within the Company. Seven of the 20 current employees were looking forward to a promotion.

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VI Fringe Benefits:

The Company offers an extensive package of fringe benefits to its employees. Group insurance is available which includes life insurance, hospitalization, sick leave, maternity benefits, and so on. This is offered on a contributory basis if an employee wishes to include his family under such coverage - 50 percent of the cost is contributed by the Company while 50 percent is deducted from the employee's wages. The Director of Employment indicated, however, that there was a proposal being formed by the personnel office which suggested that the Company pick up 100 percent of such costs. If the measure is passed, employees and their families will be covered by group insurance benefits at no cost to them.

Employees receive alternating holidays off. Since some employees are required to work, they are given additional time off at a later date when the operation is not busy. 'The Company offers paid vacations on an incremental basis. After one continuous year of employment, an employee will receive one week's paid vacation, after two years he will receive two weeks. Employees receive meals while on duty. An employee-managei credit union is used by many non-management Company employees.

The Company does not have a pension plan but it does have an extensive profit sharing plan that is one of the most progressive in the industry. All employees become eligible for the profit sharing six months after taking employment. As mentioned, details of the plan are offered to the employee in a booklet printed in cartoon form. The Company does not offer a bonus plan on a Company-wide basis. The Director of Employment indicated that bonuses exist on an informal basis within many units. An example of this program is that a manager will promise each of his employees \$5.00 if the unit reaches a certain score on the quarterly inspection conducted by headquarters staff. As a general policy, the Company does not offer transportation to and from work for its employees. In certain instances, especially foreign properties, transportation has been offered. The Company provides all uniforms and wools with which the employee needs to work.

When asked if the Company offered them any benefits, 18 of the 20 current employees interviewed stated at least one benefit of which they were aware. Fifteen of the 18 persons who were aware of the benefits specifically mentioned the profit-sharing program of the Company. Several others indicated such things as meals on duty, vacations and paid holidays.



VII Company Development:

When asked what the future held for the food service industry, the Director of Employment offered many perceptive remarks. He feels that within his Company opportunities are great and that a dishwasher eventually can become a district director.

He feels that salaries in the food service industry are nominal and he forsees higher wages offered for all positions from the dishwasher on up. He feels that there will be a greater demand by industry for more efficient waitresses and more conscientious workers, as well as highly specialized and improved kitchen equipment that will require less preparation time but more technical knowledge on the part of employees. Training requirements will change to reflect this need for technical knowledge and that is the reason the Company is developing a formalized training program.

The Company does not offer any educational opportunities or assistance to any employees. There is a plan in the offing to pay the cost of tuition and fees for employees who plan to seek education in fields related to their position. In addition, many of these individuals will have an opportunity to attend the Company University once it opens.

Some of the <u>current</u> employees felt that in order to attract new people to the industry, wages would have to be increased tremendously and working conditions, especially the air-conditioning of kitchens, would have to become commonplace. Employees also felt that the Company should be more concerned with them rather than strictly interested in the cash register. Several indicated that for someone who wanted to advance, the industry does not offer much, and in order to attract new people, good promotional opportunities would have to be made available.

In addition to an extensive package of benefits, most of which are effectively communicated to their employees, the Company has made a heavy commitment in investment in the future training of its employees at all levels. The Company is presently building a multi-million dollar Company University and accompanying the construction is the design of several programs for training in each position of the food service industry. They are about to open a few fast food facilities at which time a new realm of training will be developed for both management and non-management positions in this type of unit. The Company is currently contemplating changes for their fringe benefits package which will further benefit the employees.



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Feedback from the Director of Employment indicated that the Company enjoys a good image and excellent reputation in various communities where Company properties are located. He stated that the Company's image was one of the prime concerns of the Company, that they are as much concerned with social profit. treating their employees well and being known as a good company for which to work, as they are with making a financial profit. He disclosed that the Company places a high value on attitude. He added that a positive attitude is a prerequisite for employment. If the individual has a good attitude the Company will keep and develop him to his greatest potential.

Although the current employees were well aware of the fringe benefits that were available to them, a number of persons did not feel that the Company had a genuine interest in their future. They complained that their pay was low since they were victims of a lack of education, a circumstance which they felt prevented their being promoted. Although a number of employees were aware of the Company training aids, most of the current employees, for unknown reasons, had not had an opportunity to see them.

The Company appears to have been very successful in attracting employees who have had some previous experience within the field. It would appear that there are many persons working in the industry who are aware of the firm's reputation and actively seek employment with them. With the advent of the Company University, proposals for increasing the fringe benefit package, the unit control and assistance generated by headquarters, and the success the Company has enjoyed in communicating with its employees, the Company will, in all liklihood, continue to enjoy a considerable level of success. When a training program for non-management personnel becomes a reality, definite wage schedules are designed, and a definite promotion system career ladder is developed, the Company will continue to improve its relationship with its employees.



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Company No. 17

General Background

The Company started some fifty years ago with a cafeteria operation. It continued to grow and today encompasses some 62 cafeterias and 180 operations which the firm operates on a contract basis. They presently have 90 hospitals and 40 industrial plants aside from other miscellaneous facilities where they are engaged in contract feeding. The Company has diversified, and has acquired a decorating company, a coffee roasting plant, and a chemical company. The firm is also self-insured in that they have organized a number of insurance companies. In the past few months, the organization has completed negotiations for the purchase of a small motel chain, and it is their intention to expand in this end of the business as well as in their current markets.

The Company employs nearly 8,000 persons in non-management positions. Mention must be made of the style of operation of the cafeterias. All cafeterias are unique in that they utilize some employees in the position of waiter. The customer, when he enters the cafeteria line, is escorted along the serving line by a waiter who acts as a liaison suggesting various selections that the customer may wish to purchase. At the end of the line, the waiter carries the tray of food to the table for the customer and tends to any further needs of the customer, such as securing a beverage or a dessert which the customer did not pick up while going through the line. The waiter then acts as a busboy, cleaning the table after the customer leaves the cafe eria. Since service is involved, waiters receive tips.

Members of the research team met with the Vice President of Personnel and visited three unit locations of the Company.

A total of 19 current employees were interviewed, of whom ten were male, and nine were female. Thirteen were black, six were white, and ages ranged from 18 to 65 years. Fight of the 19 persons were under 25 years of age. Ten of the 19 persons unterviewed had a high school education or better, two of whom had two years of college. The remaining nine persons had an educational background that did not include a high school diroma. The 19 interviewees had worked for a period from two weeks to 45 years. Fifteen of the 19 had been with the Company for two years or more, and nine persons had been there for five years or more. There were several employees with 25 to 30 years of service. Positions held by those employees interviewed included counter girl,



potwasher, dishwasher, waiter, cook, storeroom man, line runner, busgirl-salad girl, baker, salad girl, cashier-bookkeeper, and general utility man.

The research team contacted seven former employees of the Company by telephone. It should be noted at this point that there was some difficulty contacting former employees for several reasons. One, the research team was in the area two days after a hurricane struck and telephone service was inoperable in a good portion of the city. Further, approximately 50 percent of the non-management employees of the Company did not have a phone and it was impossible to contact them in this manner.

Four of the seven <u>former</u> persons contacted were female and three were male. Four were white and three were black, and the ages ranged from 17 to 48 years. Four of the persons interviewed were under 25 years of age. The educational level ranged from the sixth grade to one year of college.

When asked what positions they had held during their period of employment, two former employees indicated they had worked as counter servers, two persons had worked as dishwashers, one person indicated he had been a food checker, one had been a busboy, and one female had been a meat carver on a serving line. The seven former employees had worked for a period ranging from two weeks to six years. It is interesting to note that none of the four persons under 25 years of age had worked for a period of longer than six months.

I Manpower Identification:

The Vice President of Personnel indicated that the Company is having a problem retaining non-management personnel and that Company turnover had been 180 percent in 1968 and was projected to be 160 percent in 1969. Turnover in the 90 hospitals in which the Company had a contract for the feeding was running approximately 9.9 percent per month. He went on to state that occupations in which turnover is highest are those of dishwasher and utility man.

The Company does not require any formal educational level of employees and the Vice President indicated that he felt the Company would be putting itself at a competitive disadvantage if they did require a high school level education of all prospective employees. Some 200 of the 8,000 non-management employees of the Company are considered to be functionally illiterate in that they cannot read or write.

In order to fill non-management food service positions, the vice President



reported that the firm had hired over 60 persons who are considered mentally handicapped, 40 persons who are potentially blind, seven who are totally blind, twelve mutes, more than 4C with hearing handicaps, 17 epileptics, and more than 75 persons with some physical disability, such as a lost limb. He stated, "The 500 retarded, illiterate, handicapped persons we have hired, I feel, have helped to cut down our turnover".

The Company does not discourage persons with a prison record from applying for employment. However, they do not actively seek to recruit this type of employee. The Company employed approximately 20 persons with a prison record at the time of the interview and the experience with these parolaes had been good.

When asked what the primary resources for obtaining labor for non-management positions were, the Vice President stated that other employees were the major source. He thought that the next largest group of employees comes from those who just walked in looking for a job. Employment agencies, both public and private, are used relatively little. The only time advertising is used to obtain labor is for the opening of a new unit. He restated the fact that the Company has a contract with mental hospitals and some state agencies, and this is how they obtain their mentally retarded employees.

All job applicants are personally interviewed by the manager of the respective unit after the employee has filled out a formal job application, and is called in as a position opens. Personnel tests are not given to job applicants, and applicants are not required to give personal references. The Company does require that the applicant list all past employers. The Company has found that checking of past employers of job applicants has proven to be an accurate evaluation of what the Company can expect of the employee. When they have had trouble with employees in the past, it is usually those employees whose past employment references have not been checked by the manager of the unit where the employee is located.

A health certificate available through the local health center, is required of all employees handling food. The Company does not require any annual physical examination of employees.

Of the 19 current employees interviewed, ten individuals indicated that they had found out about the job through a relative or a friend, five had walked into the respective unit for which they were working, three persons had learned of an employment opportunity through a school program, and one person came through an employment agency. Nine of the 19 persons indicated thay had



taken the job as it was the first job they had found and that they needed work.

Only three of the 19 possessed food service experience before being employed with the Company and only eight had held any type of job before employment with the Company. Three individuals indicated that they had received some sort of formal food service training prior to employment with the Company.

Of the seven <u>former</u> employees contacted only one had prior experience in food service. Five of the seven persons indicated they had become aware of the opportunity for employment through a friend or relative, the other two indicated they had just walked into the unit looking for employment.

All seven individuals indicated they had been required to fill out an application form and had received a personal interview. None reported taking any type of personnel test when applying for the job.

II Job Environment:

In general, few of the <u>current</u> employees interviewed indicated that they had complaints concerning their job environment. Several indicated that their wages were rather low and some mentioned that split shifts caused them difficulties. By and large, the vast majority of those persons interviewed felt their working conditions were pleasant.

The Vice President of Personnel indicated there are some problems with working conditions within the corporation. He further indicated that the positions of dishwasher and utility man are not looked on with respect due to the discomfort of working in these positions. He explained that he feels that the hot, slippery and smelly conditions of working around the dishwashing area are not conducive to retaining personnel. He feels it is wrong for someone to be hired to operate a dishwashing machine with a monetary value of \$15,000 to \$18,000 without receiving training to operate it properly. Perhaps one of the reasons the Company is having trouble retaining dishwashers is that employees have not received any training, and often are "chewed out" for doing something wrong. It follows, therefore, that the difficulty lies in the absence of a training program and not necessarily with the position incumbent.

III Orientation:

The Vice President indicated that the Company does have an orientation



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program for employees which includes a guideline for unit managers to follow in conducting orientation, and one or two applicable film strips depending on the area of the unit in which the employee is to work. The guideline for the manager was published two months prior to the interview in the form of a memorandum from the Director of Training and included the following:

- (1) Introduction to the Department; people he will need to know, organizational set up, a picture of the overall department, i.e., how his job fits in, his department's part in the Company's overall operation, a thorough review of his job schedule and his job description;
- (2) Information needed immediately; location, where to report for work, washroom, locker, parking facilities, provisions for lunch, bulletin boards, clothing, hours of work, rest periods, pay (starting rate, when paid, how paid, time report procedures, payroll deductions);
- (3) Introduction to the Job; fellow employees, whom to report to, the nature of the job (activities, skills, requirements), training schedule, introduction to job routine, close guidance during break-in and follow-up interview.
- (4) Department and Company policies and practices; company and department materials covering absentee policies, vacations, holidays, disciplinary procedures, rules about use of telephone, reporting change of address, etc.;
- (5) Services and Benefits; medical services, credit union, insurance and other benefits.

The memorandum states that a number of copies of the Company's new orientation guide is to be sent to each unit, and that this form is to be completed and given to each new employee on the day he is employed along with a copy of his job description. The employee orientation guide lists such things as the employee's name, his job title, job location, locker number, department in which he is employed, his pay day, when he receives his meals, the unit in which he is working, the address of the unit, the employee's immediate supervisor, telephone number of the unit, the type of uniform he will be waaring, the type of shoes he will be wearing, the type of hip cover he or she will be wearing, and other pertinent information. It also lists the employees work schedule and what days he has off. The manager or assistant manager is supposed to give the new employee a pamphlet entitled, "Your Job With (name of Company)" which explains the relationship of his job to the total operation, company benefits, how to punch a time card, and company policy regarding smoking during rest periods. The two film strips are published

in booklet form in simple and easy-to-read language with figures matching those used in the filmstrips. When a filmstrip is not available at a particular unit, the employee is given a booklet.

IV Training:

The Vice President felt that his biggest problem is not the training of hourly employees, but rather the training of employees at the management level, and being able to effect communication between the unit managers and the hourly employees. Communication is absolutely essential for satisfactory employees morale and productivity. It became evident that the thinking of the executive level of the Company is that a formal training program for non-management level or hourly employees is not necessary if they are able to effectively indoctrinate management to the idea of proper orientation and informal on-the-job training.

The Vice President indicated that the corporation offers no formal training program to non-management personnel. It should be noted at this point that the orientation program designed for the waiter is in fact a training manual in that it completely describes his job to the finest detail, including such things as place settings, table etiquette, and discusses the point where a napkin should be placed on a tray to keep the clatter down when bussing dishes. It states, "You put the silver on one side and stack the vegetable dishes and plates together". There is, of course, no guarantee that employees read the manual if they receive it, or that their supervisor verbally reinforces the printed material.

There are two film strips which the Company has developed, one for the position of waiter and one for the position of line server on the cafeteria line. The Director of Training who was also interviewed, stated that the Company is undertaking a project to develop film strips for kitchen personnel as well, and that they expect to use these film strips at each location. After the employee is properly oriented to his unit he is taken to his respective department and the film strip machine is placed in front of him. He is shown step by step the method for preparing whatever food item he is responsible for.

No progress reports are submitted on employees and wage increases are not offered during or upon completion of the training program. Cross-training does occur and the corporate officers encourage management to cross-train their employees as it is definitely to the Company's advantage.



Thirteen of the 19 <u>current</u> employees interviewed looked upon their training program favorably. It should be noted that less than half of those persons interviewed had actually undergone training, in that the training for hourly personnel as it exists started only two years ago. Many of the long-term employees who were interviewed were not involved in it. As a result, several persons interviewed expressed ignorance of any existing training program in the Company for non-management personnel, although several persons indicated that they were aware of the management training program.

The majority of the current employees had been trained using on-the-job methods and most indicated that they felt this method of training was entirely satisfactory, especially for the type of work with which they were involved.

The seven <u>former</u> employees contacted stated ignorance of the existence of a training program within the Company. They, like the current employees interviewed, indicated that they had just been shown what was expected of them hy someone else and they did not feel that this constituted a training program adequate to perform immediately in the manner expected of them.

V Career Progression:

The Vice President indicated that there is no promotion schedule for non-management employees and that many of the jobs are dead-end jobs. For example, there is no promotion to a position higher than that of waiter except that of head waiter, and here there is only one opening for every 20 to 30 waiters in each unit. Further, there have been people in the position of head waiter at various units for periods upwards of 20 years. Applicants and new employees of the Company are not apprised of any promotion schedule within the Company unless they ask, at which time they are told of the somewhat limited possibilities available to them.

Of the 19 current employees interviewed, ten replied that they had held no other job than their present one with the Company. Former jobs held by the remaining nine persons gave some evidence of cross-training with lateral movement in the Company unit.

Current employees generally agreed that there was little opportunity for advancement within the Company. One employee indicated, "They don't have any advancement program. You can stay here fifty years washing pots". All but two of the current employees responded that they were certainly not aware of any definite promotion schedule for their job area.



When asked if they intended to make a career of the food service industry, 13 persons stated that they did, five persons stated that they did not, and one person was unsure. Several commented that they would stay in the food service industry only because they had worked in it for so long, and had so little education that they felt there was nothing else they could do at this point in their life.

VI Fringe Benefits:

When asked about benefits the Company offered, the Vice President indicated that the Company has a hospitalization insurance plan, which can include the employee's family, except for maternity benefits. The Company also provides a health insurance plan which offers the employee up to 13 weeks of his regular pay while off the job, and five days sick pay per year provided the employee can confirm by a doctor's statement that he was sick.

The Company does not authorize any holidays nor is time and a half or any other means of compensation offered to those employees who are required to work as normal on holidays. Paid vacations are given to employees, one week's vacation after one year and two week's vacation after two years, this being the maximum amount of paid vacation offered.

Employees of the Company are given a 30 percent discount on all meals whether eaten on or off duty.

The Company has a pension plan which allows the employee to contribute up to ten percent of his income above \$350 per month. The Company then matches that amount on a range from 25 to 100 percent depending upon the profits the Company earns for that year. The Company also operates a credit union for non-management personnel.

The organization provides all uniforms and tools with which an employee needs to work. The Company also maintains them as it bears the cost of laundering and replacing or repairing them if necessary.

When asked what benefits the Company offered them, 11 persons stated health insurance and hospitalization insurance, four persons mentioned the credit union, and three mentioned paid vacations. Three persons also mentioned sick leave, two mentioned retirement, and one person mentioned the meal allowance. There was only one person out of the 19 who could not mention any benefit at all.



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VII Company Development:

The Vice President indicated that the Company is interested in promoting educational opportunities for its employees and in giving them assistance in this regard. The Company will reimburse 75 percent of the cost of any educational program if the employee satisfactorily completes the program and the Company approves of the program. The Vice President of Personnel went on to state that the new slide strips and film cartridges being developed should certainly improve and upgrade the ability of the employee.

Many of the <u>current</u> employees indicated that the industry would improve if personnel were offered more pay. Several also stated that the industry must make an attempt to show young people that there is a chance for advancement in the food service industry. Many of the current employees indicated that most of the work was routine and certainly not challenging, especially to young people who were just entering the labor force. Several of the employees also felt that an employee's union would help them in gaining benefits and making their jobs more respectable.

It was found in talking with the management personnel that the Company has prepared an excellent program to cope with hourly employee orientation and informal training. The emphasis is to teach the management trainees how to train their hourly employees at the different units. The Company has experienced difficulty in communicating with the managers, especially with those who have not gone through the management training program in the last two years.

There have been no specific programs handed down to the unit managers as yet, however, there is a wealth of information available to them in the form of orientation sheets, lengthy job descriptions and job schedule forms which are designed to be reviewed by the unit manager in conference with the new employee. It is evident that the Company has a problem with follow-through in training and orientation by the unit manager.



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Company No. 18

General Background

The Company is known as a hotel chain, although approximately 50 percent of its revenue stems from food and beverages. The Company has several hotels and operates on an international basis. There are a number of commercial hotels in the organization, two of which could be classified as resort properties, and a chain of motels that operates under a name different than that of the corporation.

Three members of the research team visited the corporate headquarters and subsequently visited two other major cities where the Company operates larg, hotels. The Personnel Director suggested that the research team visit these properties due to the qualities of their training programs and hiring of minority and disadvantaged employees.

The Company sees its future expansion as being in the resort hotel field, and does not intend to develop its motel organization. They feel that they have identified the market which they want to attract, and in addition to penetrating the resort area, will continue to develop downtown luxury hotels in major cities. The Company expects that approximately 50 percent of all revenue will continue to be derived from the food and beverage area.

In addition to speaking with the Director of Personnel for the Company, 20 current employees or trainees of the Company were interviewed. These employees were located at two major properties of the Company. Of the 20 who were contacted, 13 were male and seven were female, 14 were black, four were white, one was Puerto Rican, and one was Korean. The ages ranged from 17 to 58 years, and eight of the 20 were under 25 years of age.

The educational level ranged from the sixth grade to college. Ten of the 20 persons interviewed had attained a high school education or better, and of this group, three were presently enrolled in college, and two had previous college experience but had not received a degree.

The length of time the current employees had been with the Company ranged from one day to 25 years. Six of the employees had been with the Company for less than one year, while seven had been with the firm for five years or more.

Positions held by current employees included cook, vegetable preparation personnel, dishwasher-potwasher, banquet set up man, silver polisher, waitress, waiter, bus personnel, chef's assistant, and banquet houseman.



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The research team also contacted ll <u>former</u> employees of the Company to ascertain the reasons why they left the Company, and to determine their impressions of the food service industry. Six former employees were located in a southern city and had been employed at a hotel which the Company considers to be its experimental property, as it is running many fringe benefit programs which are not yet available at other hotels in the organization. The remaining five former employees contacted were located at a hotel in a major city on the East Coast.

Of the 11 former employees contacted, nine were black and two were white, six were female and five were male. Their ages ranged from 17 to 43 years, and seven of the former employees were under 25 years of age. The educational level of the former employees ranged from the eighth grade to two years of college.

The 11 former employees had been with the Company for a period of time ranging from one week to one year, with eight having worked for six months or less.

I Manpower Identification:

The Personnel Director indicated that the Company is experiencing difficulty in obtaining and retaining non-management food service personnel, but he could not give a turnover percentage for the entire Company as such statistics are not kept on a Company-wide basis, but maintained individually at each location. He said the greatest amount of turnover appears to be in the kitchen areas, particularly the ware washing functions of dishwashing, potwashing, silver polishing and general utility personnel.

In several of their hotels throughout the country, the Company has members of minority groups and previously hard-core unemployed working in positions in the food and beverage operations. The Director is pleased with the experiences the Company has had in the training and retaining of these individuals.

When asked what he considered to be the reasons for turnover problems in the food and beverage industry, the Director of Personnel said, "It's the pay. Everyone underpays. It's a damn big concern to us. Working conditions are also a factor, the attitudes of management about motivation, and the impact of a first line supervisor who is not a good supervisor". He feels that all of these factors contribute to turnover in the industry.

The Company does not require any definite level of education for non-



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management food service employees, and a prison record is not necessarily a bar to employment as there is no corporate policy on this matter. The Director indicated that the primary source for locating non-management food service personnel is newspaper advertising, particularly for those positions in the back-of-the-house, such as the ware washing positions at the food preparation positions. In addition, other employees seem to be an excellent source of contacting persons to fill service positions such as waiters, waitresses and busboys. The Company relies on unions in many of the lities where they have properties, to fill the position of banquet waiter when a large banquet is to be held at the hotel.

It is policy that all job applicants are to be resonally interviewed. An applicant for a position with the Company is interviewed by at least two persons. He is screened by the Personnel Director at the individual hotel at which he will be employed, and he is interviewed by the individual who is to be his immediate supervisor. The decision to hire or reject an applicant is left up to the individual supervisor.

The Company requires the completion of a formal job a plication, but does not require any personnel tests. The Director reported that the Company asks for references on its application form, but all references are not always checked. They are checked on a selective basis, those individuals seeking employment for the higher responsibility positions will, in all probability, have a few of the references checked. The Company does not require a physical examination at the present time, although the Director indicated that "as a long term objective, we will". He said he felt physical examinations for all employees are not only in their own best interest, but in the Company's best interest as well, and that the Company has therefore begun to think of requiring annual physical examinations for all employees.

Of the 20 <u>current</u> employees interviewed, five individuals indicated that they had no previous work experience before beginning work for the Company. The remaining 15 persons had previous work experience and nine of these individuals said they had gained some previous experience in food service.

The 20 current employees were asked how they became aware of employment opportunities with the hotel. Seven individuals indicated that they had walked into the property where they were located, actively seeking employment. Two individuals had been sent to the hotel by an employment office and one had obtained his position through a trade school placement. Seven individuals said they first learned of a vacancy as a result of a personal contact with a



friend or relative. Three others answered an advertisement in the newspaper. The majority of the employees indicated that they had taken the job because it was the first one available to them.

Only five of the 20 current employees interviewed had received any formal food service training before their employment. One individual had attended a trade school, two individuals had taken food courses in high school, and two individuals had received some food training in military service.

Only two of the ll <u>former</u> employees contacted indicated that they had worked in food service prior to their employment with the hotel. None of the ll had received any formal food service training prior to their employment.

Seven of the former employees said they first became aware of employment opportunity through a friend or relative who was working for the Company, two were sent by a employment agency, one person saw the job advertised in the newspaper, and one walked into the hotel actively seeking employment. All former employees indicated that they were given an application form to complete befor gaining employment. Four reported that they did not receive a personal intriview. Eight individuals reported that they had received full information as to what their job entailed prior to the time they undertook employment.

II Job Environment:

The Director of Personnel indicated that the Company is doing everything that it can to upgrade the wage of employees in their organization, and that they are focusing on improving the working conditions. They are disgorging attitudes which they have held for decades, no longer approaching the management of hourly employees from the standpoint that they are not motivated to do a good job and must be driven by close supervision. He also indicated that management training at all levels in the organization is about to get underway and that more attention will be paid to the supervisors of hourly employees to make them more sensitive to their own position as a supervisor and more responsive to the individuals they supervise.

The Director further indicated that the Company provides all uniforms and tools which the employee will need in his work.

All 20 current employees interviewed were asked about their working conditions. The majority of responses focused on low salaries, split shifts, unsatisfactory hours, noisy, hot, and crowded kitchens, and poor scheduling



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of personnel on the part of management. One individual indicated that since the food and beverage manager in his hotel was continually firing people, he was never sure from one day to the next whether or not his job was secure.

Fifteen of the 20 individuals interviewed did not feel that their wages were fair for the type of work they were doing.

Seven of the 11 <u>former</u> employees contacted remarked that the one aspect of their employment with the Company that they had enjoyed had been that their co-workers were easy to get along with.

III Orientation:

The Company has an orientation program for new employees in which they attempt to focus on three different levels of operation. They first start with information concerning the corporation as a corporation in an attempt to develop pride and loyalty in the organization. The next level of orientation concerns that which informs the employee about the specific hotel in which he is working. It is hoped that in this way the employee will develop some local loyalty. The third level emphasizes the specific job which the employee has assumed. The Director of Personnel stated that in many cases these orientation programs are run on a weekly basis in each hotel, but in other instances it depends on the activity going on in the hotel and the number of new employees that are hired as to the frequency of the program.

The Company is taking steps along the lines of bringing visual aids into the training and orientation program which will allow for a more personal and individual orientation situation. All orientation is conducted on Company time.

The new employee is informed of the fringe benefits offered to him. In many cases group orientation is held, and the persons recently employed are told of the fringe benefits offered by the Company, the history of the Company, and so on. The Director indicated that he feels that a one to one situation is better than a group procedure, and that a long range goal of the Company is to develop individual attention between a member of the personnel office and the new employee.

Each hotel is supposed to have its own employee handbook which it presents to the new applicant. Two of the Company's major hotels were visited and neither hotel had an employee handbook, although the personnel office of both hotels said that their employee handbook was in a developmental state.



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Approximately half of all job applicants are apprised of wage schedules. The Director stated, "In some non-union houses they are, but in the union properties we don't do much about that; it's up to the union".

Nine of the ll <u>former</u> employees reported that someone had introduced them to their co-workers, and particularly to those people with whom they would be working directly. Two individuals stated that they were not introduced to their co-workers. Seven of the ll indicated that they were given a tour of the organization and these persons replied that they had received full information from their supervisor on what to do on the job.

Eight of the ll former employees said that they were informed as to the employee benefits that were offered to them, but three individuals said that they did not receive this information. Again, eight individuals indicated that they were apprised of the wage schedule that was available to them, but the same three former employees indicated that their supervisor never told them that a wage schedule existed, and were only informed what their starting salary would be.

IV <u>Training</u>:

The Company does not have any formal training program other than onthe-job training. As mentioned, the Company is very interested in working with
the National Alliance of Businessmen with their JOBS program and has many
employees working for them who are sponsored by this organization. In onthe-job training that new employees are receiving, the job incumbent acts as
the instructor, although the personnel director in each hotel acts as the
administrative coordinator of training. The duration of the program depends
on the individual's capacity and the specific job that he holds. Progress
reports are submitted on new trainees and wage increases are offered during
the program, in the non-union hotels. In the hotels where there is a union,
the Company follows the union contract. Cross-training is not undertaken
with any degree of planning.

The Director stated that the best estimate he could give was that 200 employees were now under NAB sponsorship working for the Company. Training is being given to them almost totally in an on-the-job training basis. He stated that the retention and completion rate of these employees tends to be higher than other employees in the food and beverage area who are not working under the NAB program.



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The Company is planning on using visual aids in the near future for all aspects of its orientation and training program; such aids will include information about the corporation in general, the specific hotel where the employee happens to be located, the job which he will be doing, and the fringe benefits which are offered to him.

All of the 20 current employees interviewed were asked their opinion of the training program offered by the Company. Six of the individuals indicated that they had not received any training and the remaining 14 were vague in their responses and did not feel that there was any formal training program per se.

Most of the current employees indicated that the main problem with the training was that people who gave the training either were not sure of what they were doing, or did not have time for the trainees. The majority of the current employees also indicated that they did not think or were not sure whether the training they had received was adequate to prepare them for some future job in the organization.

When asked if they had received any formal training, four of the <u>former</u> employees interviewed indicated that they did receive some training, but seven of the employees responded that they had never received any formal training. The majority of the former employees felt that the instruction they did receive was adequate for them to do the job which they held but that they would need more formal training if they were to assume a position of greater responsibility.

V Career Progression:

The Director indicated that the Company has not done much by way of informing applicants of a promotion schedule or promotion potential available to them. He did say, however, "We are focusing on it now". He further stated that the Company is beginning to structure a definite promotion schedule for non-management food and beverage employees in order that they might be provided with an upward orientation. He feels that this is another factor in the Company's sincere desire to devote a large amount of time to the problems of non-management employees, and to impart to them the concern the Company has for their well-being. The Company hopes to develop a career ladder in the organization, and that once this is established some crosstraining should occur. A definite promotion schedule does not exist for



non-management employees although this aspect is looming large in the minds of the personnel officers of the Company.

Of the <u>current</u> employees interviewed only nine said that they intended to stay in the food service industry. These persons tended to be the older interviewees. The majority felt that there was little chance for advancement in the industry and therefore they were going to seek employment where the employment conditions and promotion opportunities are better.

When asked whether they had been promoted since they had been with the Company, six of the 20 persons interviewed responded that they had. Two of the remaining individuals declined to answer the question and the other 12 stated that they had not received a promotion. Six of the 12 persons who indicated that they had not received a promotion had been with the Company for six months or less. When asked if they were looking forward to a promotion in the future, six individuals responded that they would like a promotion, 12 indicated that they didn't want one or that it didn't matter, and two individuals who had worked for the Company for less than six months answered that they could not say whether or not they would like to be promoted.

When asked whether there was a definite promotion schedule within the Company for their particular job area, 18 of the 20 current employees interviewed responded, "No", or that they had no knowledge of a promotion schedule. The remaining two individuals said that promotions were given on a merit basis. One busboy summed up the feeling of many current employees when he said, "Yes, there is a definite promotion schedule from busboy to waiter and then it's a dead-end job".

Of the ll <u>former</u> employees interviewed, seven persons indicated that someone at some time had told them that a promotion might be available to them if they worked for it. Four individuals responded that they were never told of a promotion opportunity while they had worked for the Company. The former employees, like the current employees, indicated that most of the jobs in which they had worked were dead-end jobs and that there was little if any chance to advance.

VI Fringe Benefits:

The Company presently operates a group insurance program for its employees, and an employee can bring his family under coverage if he contributes part of



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his income to that purpose. The Company will also contribute in part to the additional cost of this expanded coverage. Employees receive holidays off or additional compensation if they are required to work on such occasions. In the union properties, the exact number of holidays varies with the different union contracts. The Company offers paid vacations on a definite basis. An employee will receive two weeks paid vacation up to the first ten years he is with the Company, at which time he will receive three weeks paid vacation. Unpaid vacations are available to an employee if it can be arranged. Employees in food and beverage service areas receive their meals on duty free of charge. This is in contrast to all other employees of the hotel, as persons working outside of the food and beverage department do not receive free meals.

The Company has a pension program and is presently experimenting with a profit-sharing program at one property in the organization. This property is a non-union house and is the testing ground for many of the fringe benefit programs with which the Company is experimenting. This property was observed, and many of the employees were aware of the profit-sharing plan that was in existence at this location.

The Company is hoping to develop a stock purchase program in the future, and is offering employees opportunities to travel to other hotels in the organization where they can receive complimentary rooms and their food and beverages at reduced rates. This courtesy is not only extended to the employee himself but to his family as well if he chooses to travel with them.

When asked if the Company offers them any benefits, 18 of the 20 current employees were able to name at least one fringe benefit and the majority of those 18 were able to list two or more such benefits. One of the individuals indicated he received no fringe benefits because he was just considered a part-time employee even though he had been working for the hotel for four summers.

Several employees mentioned a prof. -sharing program at the one hotel, a credit union, vacation with pay, and attractiveness and quality of the food in the employee cafeteria, as fringe benefits. It was interesting to note that the great majority of employees who were working at the protective hotel where an experiment was being conducted on fringe benefits were able to name more than two benefits offered to them by the Company.

VII Company Development:

The Director said that he feels his Company is involved in considerable



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change. Heretofore, the Company has made massive investments in management training, and the focus has been on this level of development for the past few years. During this time, this organization, and in the opinion of the Director of Personnel, most other companies, did not even bother to look at the training needs of middle and lower level positions. He feels that it is inevitable that change will take place, and a greater emphasis will be placed on the training needs for all levels including middle and lower echelon positions. He feels that his Company has made a definite commitment in this regard, and as such is one of the leaders in this area.

The Director went on to say that there will be a greater focus on kitchen engineering, motivation for productivity, and increased pay. "We will really wake up to the real needs of hourly employees and will pay attention to their individual needs. We will provide better conditions and we will look at the inefficiencies of our business. Just look at the ratio of people we need to put out a meal, our end product, as compared with the ratio of people needed to put out a product in a manufacturing industry. We have a lot of catching up to do. We will use our research and development not for the product but for the people who are part of it. That is the key.

We have become aware that people in the hard-core areas are not much different from those who have been coming to the back doors of our hotels for years. How can you expect an employee who walks into a hotel through a garbage area, into a dirty locker room and who has to eat Mulligan stew, to walk out to the front of the house with a smile on his face and have a pleasant attitude toward the guests".

All 20 current employees were asked what they thought could be done to improve the image of the food service industry. The majority responded that wages would have to be increased and personnel practices by the Company would also have to be improved. Several others stated that a large hotel is too impersonal to the employees' problems and needs.

The Company devoted a great deal of time to the needs and training of non-management hourly personnel. As was indicated by the Director of Corporate Personnel, the Company was beginning to focus more and more on the needs of non-management employees. It was also apparent that the Company was directing its attention to front-line supervisors and would attempt to place them in training programs to make them more sensitive to the needs of those individuals they would be supervising.



As mentioned several times in this report, one of the hotels that was investigated was considered to be the prototype for the organization for many of the ner programs with which the Company was experimenting, and hoping to develop if proven successful. At that location, many of the employees seemed to have a bright outlook and an upward orientation, thus increasing their job satisfaction.

The Company appears to be placing more emphasis on making the facilities better for employees. One of the black employees, the 21 year old student who is hoping to be a doctor, said that the employees' cafeteria, as far as he was concerned, was the best cafeteria in town. Attention is also being focused on enhancing the atmosphere of the locker rooms, by making them cleaner and by providing some lounge furniture. In several hotels in the organization, the Company has organized a new position, that of an "employee counsellor". In one hotel the employee counsellor has her desk in the employee cafeteria, so that she is readily accessible to any of the employees who want to see her about any matter of importance, either within the organization or a matter of personal importance. The manager of that property indicated that his employee counsellor was very well received and that many of the employees had utilized her services. He believed that everyone was better off as a result.

The Company is doing a great deal in upgrading the educational level of their personnel. They have instituted academic courses which employees may attend while on duty during their eight-hour shift. They are providing English and mathematics classes for both black and Spanish-speaking personnel, and they are conducting Spanish classes for some of their supervisors. The entire corporation is concerned with training, as management believes that this is necessary for the development of a training program and the career ladder. They also feel that it is necessary that attention be given to the first-line supervisors, not only to make themmore sensitive to the needs and problems of their subordinates, but to acquaint them with some teaching methodology, since in most cases they will be responsible for on-the-job training.

The problems that remain for the Company are primarily those of communication and implementation, in that they have to make their employees aware of what the future can hold. If they are successful in this endeavor, the program in this particular Company can have tremendous impact on the food service industry.



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APPENDIX 2

Interview Questionnaire Guidelines



Company Personnel Director Interview Guideline

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1.	Company Name						
2.	Number of Establishments Number	of Various Types	of Establishments				
	· ··						
3•	Have you experienced or are you experie	Have you experienced or are you experiencing difficulty in obtaining non-					
	management food service personnel?	Turnover rat	e <i>%</i>				
	(If "no", Skip to question number 7)						
5.	In what occupations are the problems mo	st evident?					
	Occupation	Obtaining	Retaining				
		·	· · ·				
	<u></u>	·					
			·				
		•					
6.	From your point of view what are the reareas?	easons these probl	ems exist in these				
7•	What formal educational level do you remanagement food service positions?	equire of your emp	loyees in non-				
8 . A	Is a prison record of a job applicant a bar to employment in a non-management food service position in your company?						
			<u> </u>				
В	Would it affect consideration given to tions? What positions?	an applicant for	any specific posi-				
			the section				

		•					
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	service positions? (Rank 1, 2, 3)	Major	Minor	Little-Used		
	Employment Agencies - Public Employment Agencies - Private Schools Advertising Other Employers Other Employees Unions Upgrading in Own Organization Other (specify)					
10.	A) Are Job applicants personally intervie	red?	by whom?			
	B) Do you require submission of a formal	job applic	ation?			
	C) Do you require personnel tests of any	sort?	_which one?	·		
	D) Do you require personal references?	Are th	ey checked?	<u> </u>		
	E) Do you require a physical examination	E) Do you require a physical examination as a condition of employment?				
	F) Do you require annual physical examinations of employees?					
11.	To the state of th					
	A) Wage schedules or steps?					
•	B) Promotion schedules?					
	C) The job description of the job they are applying for?					
	D) Fringe benefits offered by the company?					
	E) Employee handbook?	· · · · · · · · · · · · · · · · · · ·				
12,	Is the company presently, have you in the the future, providing transportation to a employees?					
13.	Does the company provide all uniforms and to work?Explain the arrangement is laundry, uniform purchase, etc	tools wit f employee	bears part	employee needs		
14.	Does the company have an orientation progrunder discussion? What does it en	ram for em	ployees hol	ding the jobs		



15.		s the company have a formal training program for the positions under sideration?(If yes, proceed with the following)
	A)	What is the duration of the program?
	B)	Who acts as the instructors?
	C)	Are progress reports submitted on each employee?
	D)	Are wage increases offered during the program?
	E)	Are wage increases offered after an employee completes the training program?
	F)	May employees be required to change location after completing the training program?
	· G)	Does cross-training occur?
	. н)	Does a promotion schedule exist for non-management employees?
	I)	Is the wage structure tied to the promotion system or are they independent of one another?
	J)	What does the training program cost you to operate? \$
	K)	Do you have a system for determining actual cost of training?
	L)	Is there a training director? (Get exact title)
	M)	How are employees selected for training?
٠	N)	What is the average number of employees involved in a training program as trainees at any given time?
	0)	How is instruction given? (Classroom style, OJT, combination, vestibule training, etc.?)
	P)	What is the completion rate for employees involved in the training program?
	ନ୍ତ)	What is the company turnover rate for these specific positions in general?
	R)	How do you expect your training needs to change in the future?
	ន)	How do you expect your training program to change in the future?
••		
	T)	Is your training director full-time?

16.	Please indicate the fringe benefits you offer to employees:
	Hognitalization Ingumence
	Hospitalization Insurance Health Insurance
	Number of Wolidays
	Paid Vacations Weeks?
	Paid Vacations Weeks? Unpaid Vacations Weeks?
	Unpaid Vacations Weeks? Meals on Duty Meals off duty
	Pension
	Profit Sharing
	Profit SharingBonus
	Education Opportunities or Assistance
	Other (specify)
	Other (specify)
17.	Do the fringe benefits apply to trainees as well?
18.	What information is recorded on personnel records other than name, age,
	social security number, position and past experience?
	social security number, position and past experience.
19.	Would you be receptive to a government subsidy of your training program?
•	· · · · · · · · · · · · · · · · · · ·
20.	Are your employees unionized? If so, does the union offer technical assistance in regard to training programs?
21.	Are employees with a long record of service recognized by the company?
	If so, in what manner?
22.	What do you feel are the most desirable aspects of your training program?
	
23.	What do you feel are the least desirable aspects of your training program?
24.	What could be done to improve the training program as it now exists?
	
25.	Subjective comments of the investigator: Include any pertinent data offered but not specifically asked, and any information of vital interest to us as to why the company is a good, bad, or mediocre company with respect to personnel turnover and/or training.



Employee Trainee Personal Interview Questionnaire

Name
Sex3. Age
Education
How long have you been with the company?
What position do you presently hold?
What previous positions have you held with the company?
What was your previous occupation prior to being employed by the company?_
Why did you leave that job?
How did you become aware that a job was available in this company?
A) Why did you decide to go to work for this company?
B) Are you presently working at another job outside the company?
Do you feel this is a good company to work for?
What benefits does the company offer you?
What are the disadvantages to you in working for this company?
Do you feel the company has a genuine interest in your future?
Do you intend to make a career in the food service industry?
Would you like to have a career with this company?
Prior to joining the company did you receive any formal food service training by a school, military, agency? If more than one, which was the most valuable?
What is your opinion of the training program offered by this company?



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20.	What are you (did you) learning?		
21.	What are the best aspects of the training program?		
22.	What are the worst aspects of the training program?		
23.	What, in your opinion, could be done to improve the training program?		
24. 25.	Do you feel your training is (was) adequate for your present job? Do you feel the training is (was) adequate to prepare you for future jobs you may hold in this company?		
26.	Do you feel your trainers are (were) sincerely interested in your progress?		
27.	Has your pay increased since you've been with the company?		
28.	A) Did it (will it) increase after (when) you finished (finish) the program?		
	B) Do you feel the wages offered are fair for this type of work?		
29.	Have you been promoted since you've been with the company?		
30.	Are you looking forward to a promotion? To what position?		
31.	Is there a definite promotion schedule within the company for your job area?		
32.	Would you be willing to change your geographic location if a promotion was offered to you on this basis?		
33•	Relative to other industries, do you feel the food service industry is respected by the general public?		
34.	Relative to other jobs, do you feel your job has the respect of the general public?		
35•	Does your job have the respect of other employees in this company?		
36.	What could be done to raise the image of the industry and of your position in the industry?		



Former Employee Telephone Interview Questionnaire

1.	Name			
2.	Age	3. Sex	4. Race	
5.	Education			
6.	What was your occupat	ion prior to your en	employment with the company?	
7.	Did you hold another so, what)	job at the same time	ne you worked for the company? (i:	f
8.	What position(s) did employed?	you hold with the co	company during the period you were	e
9.	How long did you hold	each of these posi-	tions?	
10.	Did you ever receive a trade school, job c by the company?	any formal food servorps, military serv	rvice training by any agency such	as nt
Ll.	What formal training agency)	did vou feel was mor	ost valuable? (if more than one st	uch
12.			nt opportunity in the company?	
	A) Through friends			
	B) Employment Agency			
	C) Advertising			
	D) Welfare Agency			
	E) Other (specify)_			
_		1, ·		
L3.	When applying for the	-	Yes No	
	A) Fill out an applic			
	B) Receive a personal	•	10m)	
	C) Take any personnel		· whether makes	
	D) Receive full infor- job entailed	mation as to what th	che	
	the state of	•		
	* * * · · · ·		·	
	····			



14.	Whe	n you took the job, were you:	Yes	No
	A)	Introduced to your co-workers?		
	B)	Given a tour of the organization?		_
	c)	Provided information about your job?		
	D)	Given uniforms or tools to do the job?		
	E)	Advised as to whom and where you should report?		-
	F)	Informed as to employee benefits such as holidays, insurance coverage, etc.?		
	G)	Informed as to the wage schedule?	W-1770	
	н)	Informed as to the promotion system?		
15.	Whe	n you took the job did you intend to:		
	A)	Begin a career with the company?		
	в)	Use the job to tide you over 'till something better came along?		
	c)	Work for only a short period?		
	D)	Other (specify)		
16.	Did you receive any formal training by the company? If yes, continue with questions 17-25. If no skip to question 26)			26)
17.	How	long was the training program?		
18.	Wha	t did you learn to do?		
19.				
20.	Do you feel it was adequate training for your current job?			
21.				
22.	If	yes, was the pay increase worthwhile? ho	w much?	
23.	What were the good features of the training program?			
24.	What were the bad features of the training program?			
25.	How	could the training program be improved?		



26.	Do you think the company is a good organization?
	Why?
27.	Why did you leave the company?
28.	What could the company have done that would have prevented your leaving
29.	What would it take for you to come back to work for the company?
30.	What job did you take after leaving the company?
31.	Why did you take that job?
32.	What is your present occupation?
33•	Do you consider your present occupation better or worse than your position in the food service industry?
34.	Did you receive training for your present job?
35.	Do you envision making a career of your present job?



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